

**Annual Report of the  
Supplemental Security Income Program**



**Social Security Administration**

**May 2000**

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# SOCIAL SECURITY

Office of the Commissioner

May 30, 2000

President William J. Clinton  
The White House  
Washington, D.C.

The Honorable J. Dennis Hastert  
Speaker of the House of Representatives  
Washington, D.C.

The Honorable Albert Gore, Jr.  
President of the Senate  
Washington, D.C.

Gentlemen:

I have the honor of transmitting to you the 2000 Annual Report of the Supplemental Security Income Program (the fourth such report), in compliance with section 231 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Respectfully,

Kenneth S. Apfel  
*Commissioner  
of Social Security*



## EXECUTIVE SUMMARY

In the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Congress required the Commissioner of Social Security to report annually to the President and to the Congress on the status of the Supplemental Security Income (SSI) program. A required element of these reports is to provide projections of program participation and costs through at least 25 years. This report is the fourth of such reports, and following are some of its major highlights and findings.

### Highlights of the SSI Program

- The SSI program is a nationwide Federal assistance program administered by the Social Security Administration (SSA) that guarantees a minimum level of income for needy aged, blind, or disabled individuals.
- In January 2000, 6.3 million individuals received monthly Federal SSI payments averaging \$350.
- Federal expenditures for cash payments under the SSI program during calendar year 1999 totaled \$28.2 billion, and the cost of administering the SSI program in fiscal year 1999 was \$2.5 billion.

### Major Findings of the Report

- Throughout the 25-year period ending in 2024, the SSI program is estimated to grow largely due to the overall growth in the U.S. population. By 2024, the Federal SSI recipient population is estimated to reach 7.7 million.
- Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients decreased slightly from its 1998 level of 2.23 percent to 2.21 percent in 1999, and is projected to remain fairly level at roughly 2.2 to 2.3 percent of the population through 2024.
- Federal expenditures for SSI payments in calendar year 2000 are estimated to total \$29.4 billion, an increase of roughly \$1.2 billion from 1999 levels.
- Growth in SSI program outlays during the next 25 years is projected to remain relatively modest. In constant 2000 dollars, the cost of the program is projected to increase to \$37.6 billion in 2024.
- When compared to the Gross Domestic Product, Federal SSI expenditures are projected to decline over time, from the current level of 0.31 percent of GDP in 1999 to 0.26 percent of GDP by 2024.



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## I. INTRODUCTION

The Supplemental Security Income (SSI) program was established by Congress in 1972,<sup>1</sup> with payments beginning 26 years ago in January 1974, and is administered by the Social Security Administration (SSA). SSI replaced the former Federal-State programs of Old-Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Permanently and Totally Disabled (APTD) in the 50 States and the District of Columbia. Residents of the Northern Mariana Islands became eligible for SSI in January 1978. Under the SSI program, each eligible person living in his/her own household and having no other countable income is provided, as of January 2000, a monthly Federal cash payment of \$512 (\$769 for a couple if both members are eligible). Since 1975, these Federal SSI benefit rates have been increased to reflect changes in the cost of living at the same time, and by the same percentage, as have benefits under the Old-Age, Survivors, and Disability Insurance (OASDI) program. In addition to setting a Federal benefit standard, the legislation establishing SSI also permitted individual States to supplement the Federal payment with an additional monthly amount. As described in section III, these State supplementation payments can be either voluntary at the option of the individual States or, in certain cases, mandatory under a requirement in the original SSI legislation.

Under section 231 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Commissioner of Social Security is required to submit a report on the SSI program to the President and Congress. Such report is to be submitted annually no later than May 30 of each year. Pursuant to this legislative mandate, this is the fourth in a series of such annual reports on the SSI program. The legislative mandate is very detailed concerning certain types of information about SSI that should be provided in the report. More specifically, section 231 requires that the report include:

- A comprehensive description of the SSI program;
- Historical and current data relating to (1) claims intake and dispositions at all levels of decision making; (2) demographic information about recipients, including program cost and prior enrollment in other public benefit programs; (3) redeterminations, continuing disability reviews, and utilization of work incentives; (4) administrative costs; and (5) State supplementation program operations;
- 25-year projections of future participation rates and program costs;
- An historical summary of statutory changes to title XVI of the Social Security Act; and
- Summaries of any relevant research on the SSI program by SSA or others.

In addition, the legislation specified that the report may include views of the SSI program by individual members of the Social Security Advisory Board, if so desired by any such Board member, or a joint report if one is agreed upon by the Board.

As discussed in the previous SSI Annual Reports, much of the required information is the subject of extensive ongoing research. For example, while historical program data are available from summaries of administrative records and have previously been published in a number of documents, many of the required subcategory totals have not always been collected on a consistent basis. To provide the detailed data for this report, extensive work was necessary to prepare retrospective estimates based on existing historical totals. Furthermore, except for the 75-year projections prepared for the OASDI<sup>2</sup> and Medicare<sup>3</sup> Trustees Reports, most routine forecasts for government programs extend only 5-10 years into the future for use in connection with the President's Budget. Thus, mathematical models capable of projecting SSI program

<sup>1</sup> Public Law 92-603, enacted October 30, 1972.

<sup>2</sup> The 2000 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, issued March 30, 2000.

<sup>3</sup> The 2000 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund and the 2000 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, originally issued March 30, 2000. The Hospital Insurance report was subsequently revised and reissued on April 20, 2000.

costs 25 years into the future did not exist at the time of the enactment of Public Law 104-193. For purposes of the longer-range forecasts required in this report, SSA's Office of the Chief Actuary has begun a program of research and model development in an effort to enhance these 25-year forecasts. Furthermore, the Office of Research, Evaluation, and Statistics has begun an extensive project to analyze and validate historical data for the SSI program. The 2000 Annual Report represents the continuation of the model development process which was begun for the 1999 Annual Report. Future editions of this report will reflect the results of our ongoing efforts in both these areas.

In responding to each of the specific requests for information, every effort has been made to provide the best information available at this time. As mentioned in the previous paragraph, it is expected that in future versions of this annual report improvements will continue to be made upon such information, in order to provide the President and Congress with the input necessary to effectively manage this important part of our society's social safety net.

In broad outline, the contents of the remainder of this report are as follows:

- Section II presents highlights of recent SSI program experience, a summary of important changes to the program in the last year, a discussion of current issues facing the SSI program, and a summary of the key results from the 25-year forecasts.
- Section III contains a comprehensive description of the SSI program.
- Section IV presents the details of our 25-year forecasts of SSI program participation and expenditures.
- Section V contains a series of technical appendices responding to each of the remaining legislative mandates for information about SSI.

## II. HIGHLIGHTS

A brief history of the SSI program is presented in section III, including descriptions of the eligibility criteria and other features of the program, and rationales for why some of those provisions were included in the SSI statute. Another aspect of this picture, however, is an indication of how SSI affects the individuals it is intended to serve and the cost of paying these benefits, along with a discussion of current issues facing SSA in administering the program.

### A. RECENT PROGRAM EXPERIENCE

SSI program experience during the past year included the following:

- On average during calendar year 1999, 6.3 million aged, blind, or disabled individuals received Federal SSI benefits on a monthly basis. An estimated 7.1 million aged, blind, or disabled individuals received at least 1 month's Federal SSI benefit during the year.
- Federal expenditures for cash payments under the SSI program during calendar year 1999 totaled \$28.2 billion.
- On average during calendar year 1999, 2.4 million aged, blind, or disabled individuals received Federally-administered State supplementary payments on a monthly basis. An estimated 2.7 million individuals received at least 1 month's Federally-administered State supplementary payment during calendar year 1999.
- State expenditures for Federally-administered supplements during calendar year 1999 totaled \$3.3 billion, excluding fees for Federal administration.
- The cost of administering the SSI program in fiscal year 1999 was \$2.5 billion.

### B. SSI LEGISLATION SINCE THE 1999 ANNUAL REPORT

A significant number of legislative changes affecting the SSI program were made during 1999. Public Law 106-169<sup>1</sup> included provisions affecting the treatment of assets held in trust and providing for penalties resulting in nonpayment of SSI benefits. Also included were provisions related to recovery of overpayments and various other aspects of the SSI program. Public Law 106-170<sup>2</sup> included a provision establishing the Ticket to Work and Self-Sufficiency program as well as other provisions related to the SSI program.

#### Public Law 106-169

***Treatment of Assets Held in Trust***—This provision includes in the countable resources of an individual for SSI purposes, certain assets of a trust containing property transferred from the individual or spouse. SSA is authorized to waive application of this provision in cases of undue hardship. Certain trusts (e.g., those established by will, or trusts that would repay the State the cost of medical assistance provided the recipient upon his/her death) will be excluded.

<sup>1</sup> The Foster Care Independence Act of 1999, enacted December 14, 1999.

<sup>2</sup> The Ticket to Work and Work Incentives Improvement Act of 1999, enacted December 17, 1999.

**Penalties Resulting in Nonpayment of SSI Benefits and Nonparticipation in SSI Program**—These provisions:

- Provide a penalty under the SSI program for the disposal of resources at less than fair market value. The penalty is a loss of benefits for a number of months (up to a maximum of 36) obtained by dividing the uncompensated value of disposed-of-resources by the Federal benefit rate plus the maximum State supplementary payment, if any, applicable to the individual's living arrangement. Certain exceptions (e.g., undue hardship) apply.
- Provide for the nonpayment of OASDI and SSI benefits (6 months for the first violation, 12 months for the second, and 24 months for the third or subsequent violation) for individuals found to have made a statement or representation of material fact for use in determining eligibility for benefits that the individual knew, or should have known, was false or misleading or omitted a material fact.
- Bar representatives and health care providers from the OASDI and SSI programs (5 years, 10 years, and permanent exclusion for the first, second, and third offenses, respectively) if they were found to have helped commit fraud.

**Recovery of Overpayments**—These provisions:

- Make representative payees liable for an SSI overpayment caused by a payment made to a recipient who has died, and require SSA to establish an overpayment control record under the representative payee's Social Security number.
- Require SSA to recover SSI overpayments from SSI lump-sum amounts by withholding at least 50 percent of the lump-sum payment or the amount of the overpayment, whichever is less.
- Extend all of the debt collection authorities currently available for the collection of overpayments under the OASDI program to the SSI program.

**Data Matches**—These provisions:

- Require SSA to conduct periodic matches with Medicare and Medicaid data held by the Secretary of HHS and allow the use of this information in lieu of a physician's certification in order to maintain the full benefit level of an individual whose institutionalization is expected not to exceed 3 months.
- Allow SSA to require SSI applicants and recipients to provide authorization for SSA to obtain any and all financial records from any and all financial institutions. Refusal to provide, or revocation of, an authorization may result in ineligibility for SSI.
- Deem the SSA's data privacy standards to meet all State privacy standards for purposes of data matches.

**Studies and Reports**—These provisions:

- Require SSA to undertake a study to identify possible measures to reduce fraud and to improve processing of recipients' reported changes of income.
- Require SSA to include in its annual budget an itemization of the amount of funds required to support efforts to combat fraud by applicants and recipients.
- Require SSA to study the reasons why family farmers with resources under \$100,000 are denied SSI benefits, including whether the deeming policies discriminate against family farmers.

**Other Provisions Related to the SSI Program**—These provisions:

- Require SSA to provide to Federal or Federally assisted cash, food, or medical assistance programs, on a reimbursable basis, information obtained under agreements with institutions for reporting prisoners.
- Establish a new program under title VIII of the Act to pay special benefits to certain SSI recipients who are World War II veterans and who subsequently leave the United States. The maximum special benefit would be 75 percent of the SSI Federal benefit rate. To be eligible, a World War II veteran would have to be at least 65 years old on the date of enactment (December 14, 1999), have total “benefit income” less than the maximum special benefit, and have been eligible for SSI in both the month of enactment and the month he/she applies for the special benefit.

### **Public Law 106-170**

**Ticket to Work and Self-Sufficiency Program**—This provision directs SSA to establish a Ticket to Work and Self-Sufficiency program which provides the SSI (and OASDI) disability beneficiary with a ticket he/she may use to obtain vocational rehabilitation services, employment services, and other support services from an employment network of their choice.

**State Options Under Medicaid**—This provision provides States the option of allowing individuals who are at least age 16, but under 65, to buy into Medicaid even though they are no longer eligible for OASDI or SSI disability benefits due to medical improvement.

**Schedule for State Supplementary Payments**—This provision requires (effective for months after September 2009) a State that has entered into an agreement with the Commissioner of Social Security for Federal administration of State supplementary payments to remit the payments and fees required of them no later than the business day preceding the SSI payment date. SSA is authorized to charge a penalty equal to 5 percent of the payment and fees if the remittance is received after the required date.

## **C. CURRENT ISSUES FACING THE SSI PROGRAM**

Strengthening and maintaining the integrity of the SSI program remains one of SSA’s highest priorities. During the past 2 years, SSA has made significant progress in strengthening the management of the SSI program under the multifaceted approach detailed in Commissioner Apfel’s October 1998 report, *Management of the Supplemental Security Income Program, Today, and in the Future*. Preliminary results for FY 1999 show that SSA has made progress in improving payment accuracy, detecting, preventing, and collecting overpayments, and deterring fraud. However, the agency’s ability to continue developing the successful initiatives outlined in the management plan will depend upon the Congress providing sufficient administrative resources to do so. In particular, resource limitations in FY 2000 will result in fewer redeterminations being processed than originally anticipated.

Resource restrictions notwithstanding, provisions which SSA originally proposed in May 1998 were included in the recently enacted *Foster Care Independence Act of 1999* (see section B above). These provisions give the agency additional tools to improve program management and integrity. The implementation and effectiveness of these provisions will be closely monitored as part of the overall SSI management plan.

Another issue that surfaced this year involved representative payees who have misused or embezzled SSI recipients’ funds. In response, we implemented a number of administrative improvements in our oversight procedures and, in addition, transmitted to Congress a set of legislative proposals that would provide additional safeguards for recipients with representative payees. We are continuing to review the representative payee program and will be increasing our oversight activities, including triennial reviews.

As mentioned in the previous annual reports, SSI is a very complex program. Over the years, it has become apparent that simplification proposals that take account of program objectives, equity, and available resources are elusive. SSA is analyzing selected issues related to simplifying the SSI program. It is anticipated that the analysis will result in proposed alternatives to certain existing complex policies.

#### ***D. KEY RESULTS FROM THE 25-YEAR FORECASTS***

The major findings in the 25-year forecasts prepared for this report are summarized below:

- Following recent declines in the SSI recipient population due to the combined impact of Public Law 104-121 and Public Law 104-193, modest growth in the SSI rolls resumed in 1998, and is expected to continue throughout the projection period largely due to the growth in the U.S. population. By 2024, the Federal SSI recipient population is estimated to reach 7.7 million. Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients is projected to remain fairly level at roughly 2.2 to 2.3 percent of the population through 2024.
- Federal expenditures for SSI payments in calendar year 2000 are estimated to total \$29.4 billion, an increase of roughly \$1.2 billion from 1999 levels. In order to provide estimates of future expenditures under the SSI program over 25 years which can be meaningfully compared, projections of Federal SSI expenditures are presented in constant 2000 dollars. Expressed in these terms, growth in SSI program outlays during the next 25 years is projected to remain relatively modest, roughly in line with overall growth in the U.S. population. In constant 2000 dollars, the cost of the program is projected to increase to \$37.6 billion in 2024.
- Furthermore, when compared to the Gross Domestic Product, Federal SSI expenditures are projected to decline over time, from the current level of 0.31 percent of GDP in 1999 to 0.26 percent of GDP by 2024.

### III. THE SUPPLEMENTAL SECURITY INCOME PROGRAM

The Supplemental Security Income (SSI) program is a nationwide Federal assistance program administered by the Social Security Administration (SSA) that guarantees a minimum level of income for needy aged, blind, or disabled individuals. In January 2000, 6.6 million individuals received Federally-administered monthly SSI benefits<sup>1</sup> averaging \$377.

#### A. BACKGROUND

Entitlement programs for the aged, blind, or disabled have their roots in the original Social Security Act of 1935. That Act established an old-age social insurance program to be administered by the Federal Government and an old-age means-tested assistance program to be administered by the States. Similar programs for the blind or disabled were added to the Act in later years. Means-tested assistance was intended to supplement the incomes of individuals who were either ineligible for Social Security or whose benefits could not provide a basic living.

This means-tested assistance—also known as categorical adult assistance—actually comprised three separate programs—Old-Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Permanently and Totally Disabled (APTD). Despite substantial Federal financing, these programs were essentially State programs; Federal law established only broad guidelines and assistance. Federal financing was open-ended in the sense that the Federal Government would provide matching funds to support whatever payment levels the States established. Federal law specified no maximum or minimum standards. Consequently, each State was responsible for deciding its own standards for determining who would get assistance and how much they would get. As a result, there were differing eligibility requirements and variations of payment levels from State to State.

Beginning in the early 1960s, this State-operated, Federally-assisted welfare system drew criticism from within and outside of government. Some of the criticism was directed at the “crazy quilt” eligibility requirements and payment levels. Other criticism centered on specific requirements, such as lien laws and provisions that required certain relatives to bear responsibility for the maintenance of needy family members. The disparity in the degree of Federal financial support provided States also was an acknowledged problem.

Responding to these concerns, Congress passed and the President approved the SSI program (Public Law 92-603, enacted October 30, 1972), which reversed the historic Federal and State roles with regard to adult assistance. Under the new arrangement, SSI would provide a uniform Federal income floor while optional State programs supplemented that floor. The new program was historic in that it shifted from the States to the Federal Government the responsibility for determining who would receive assistance and how much assistance they would receive.

#### B. THE BASIC PLAN

The main objective of the SSI program is to provide the basic cash support of needy aged, blind, or disabled individuals. Congress designed the SSI program based on the following principles:

- Eligibility requirements and benefit standards that are nationally uniform and eligibility determinations based on objective criteria;
- An assistance source of last resort for the aged, blind, or disabled whose income and resources are below specified levels;
- Incentives and opportunities for those recipients able to work or to be rehabilitated that would enable them to reduce their dependency on public assistance;

<sup>1</sup> Including Federally-administered State supplementary payments.

- An efficient and economical method of providing assistance;
- Inducements to encourage States to provide supplementation of the basic Federal benefit and protection for former recipients of State adult assistance programs who were converted to the SSI program; and
- Appropriate coordination of the SSI program with the food stamp, medical assistance, and other programs.

Although SSI has undergone several significant changes since its enactment in 1972, these principles have been retained. The following description of the SSI program is organized according to the originating principles.

### **C. UNIFORM STANDARDS AND OBJECTIVE CRITERIA**

Prior to the SSI program, aged, blind, or disabled individuals may or may not have been eligible for Federally-funded adult assistance depending on the State in which they lived. Benefit amounts also varied from State to State. The SSI program replaced the State-run programs of assistance with a program having nationally uniform standards and objective eligibility criteria. These standards include:

- A uniform limitation on the dollar amount or value of income and resources that an individual can have and still qualify for Federal assistance. Effective January 1, 2000, the countable income limit for individuals is \$512 a month and \$769 a month for eligible couples. The resource limit is \$2,000 in countable resources for individuals and \$3,000 for couples.
- Sixty-five as the minimum age limit for assistance based on age.
- A uniform definition of disability and blindness. The definitions for individuals 18 or older are the same as those used for the Social Security Disability Insurance program. In order to be considered disabled, an individual must have a medically determinable physical or mental impairment which is expected to last or has lasted at least 12 continuous months or result in death and (1) if 18 or older prevents him/her from doing any substantial gainful activity<sup>1</sup> or (2) if under 18 results in marked and severe functional limitations.<sup>2</sup> However, individuals for whom addiction to drugs or alcoholism is a contributing factor material to the determination of their disabilities are not eligible for benefits.<sup>3</sup> In order to be considered blind, an individual must have central visual acuity of 20/200 or less in the better eye with the use of a correcting lens or have tunnel vision of 20 degrees or less.
- Uniform standards for citizenship and residency. In order to be eligible for SSI, an individual must be a citizen (or national) of the United States, an American Indian born in Canada who is under section 289 of the Immigration and Nationality Act (INA), an American Indian born outside the United States who is a member of a Federally recognized Indian tribe under section 4(e) of the Indian Self-Determination and Education Assistance Act, a noncitizen who was receiving SSI benefits on August 22, 1996, or be a qualified alien in one of the following categories:<sup>4</sup>

<sup>1</sup> "Substantial gainful activity" (SGA) is used to describe a level of work activity that is both substantial—i.e., involves the performance of significant physical and/or mental duties which are productive—and gainful—i.e., performed for remuneration or profit. Generally earnings from work activity of over \$700 a month is evidence of ability to engage in SGA. If an SSI *applicant* is earning over \$700 a month, he/she generally would not be considered disabled. However, if an SSI *recipient* is earning over \$700 a month, he/she could continue to be eligible for SSI. (See "Incentives for Work and Opportunities for Rehabilitation" section III.E.) The SGA level of \$700 was increased from \$500 effective July 1, 1999 (64 FR 18566).

<sup>2</sup> The definition of disability and blindness for individuals under age 18 reflects amendments made by Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Prior to this, the law required a medically determinable physical or mental impairment of comparable severity to that required for individuals 18 or older.

<sup>3</sup> This provision reflects amendments made by title I of Public Law 104-121, the Senior Citizens' Right to Work Act of 1996, enacted March 29, 1996.

<sup>4</sup> These standards reflect amendments made by Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 as amended by Public Law 104-208, Public Law 105-33 and Public Law 105-306. Prior to this, the law permitted SSI eligibility for individuals who were residents of the United States and—citizens or nationals of the United States; aliens lawfully admitted for permanent residence in the United States; or aliens permanently residing in the United States under color of law.

- Certain noncitizens who are blind or disabled and were lawfully residing in the United States on August 22, 1996;
- Refugees (eligibility limited to the 7-year period after their arrival in the United States);
- Asylees (eligibility limited to the 7-year period after the date they are granted asylum);
- Noncitizens who have had their deportations withheld under section 243(h) of the INA as in effect prior to April 1, 1997, or who have had their removals withheld under section 241(b)(3) of the INA (eligibility limited to the 7-year period after the date that deportation or removal is withheld);
- Cuban and Haitian entrants under section 501(e) of the Refugee Education Assistance Act of 1980 (eligibility limited to the 7-year period after the date that entrant status is granted);
- Amerasian immigrants admitted pursuant to section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, and subsequent amendments (eligibility limited to the 7-year period after their arrival in the United States);
- Noncitizen active duty Armed Forces personnel, honorably discharged veterans, and their spouses and dependent children; or
- Lawful permanent residents who have earned, or can be credited (from their spouses or parents) with, 40 qualifying quarters of earnings.

Note: Qualified alien status includes noncitizens who have been battered or subjected to extreme cruelty in the United States by a spouse or parent (or a member of the spouse's or parent's family) with whom they live, and who have an approved petition, or have a petition pending, setting forth a *prima facie* case for adjustment of their immigration status. A complete list of noncitizens who are considered qualified aliens can be found in the Glossary under "Qualified Alien". However, to be eligible to receive SSI benefits, these noncitizens also must be in one of the categories listed above.

In addition to having to be a U.S. citizen (or national) or in one of the potentially eligible noncitizen categories, an individual must reside in the 50 States, the District of Columbia or the Northern Mariana Islands. An individual also must be physically present in the United States<sup>1</sup> for 30 consecutive days, if he/she had been outside of the United States for 30 or more consecutive days.

There are two exceptions to the residency and physical presence requirements:

- Blind or disabled children who are citizens of the United States may continue to be eligible for payments if they are living outside the United States with a parent who is on duty as a member of the U.S. Armed Forces.
- Students studying abroad for not more than 1 year also may continue to be eligible for payments if the studies are sponsored by a U.S. educational institution but cannot be conducted in the United States.

#### ***D. ASSISTANCE OF LAST RESORT***

As a means-tested program, SSI takes into account all income and resources that an individual has or can obtain. The amount of an individual's countable income and resources are the measure of his/her need for assistance.

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<sup>1</sup> Fifty States, the District of Columbia or the Northern Mariana Islands.

## 1. Income

The amount of an individual's income is used to determine both eligibility for, and the amount of, his/her SSI benefit. As countable income increases, an individual's SSI benefit amount decreases. Generally, ineligibility for SSI occurs when countable income equals the Federal benefit rate plus the amount of applicable Federally-administered State supplementary payment (State supplementation is discussed later).

The monthly Federal benefit rate (currently \$512 for an individual; \$769 for an eligible couple) is reduced dollar-for-dollar by the amount of the individual's "countable" income—i.e., income less all applicable exclusions. Countable income is determined on a calendar month basis. The result of this computation determines SSI eligibility and the amount of the benefit payable. These benefit rates are adjusted annually (in January) to reflect changes in the cost of living.

When an individual lives in the household of another and receives support and maintenance in kind (i.e., generally room and board) from the householder, the Federal SSI benefit rate is reduced by one-third in lieu of counting the actual value of the support and maintenance as unearned income. The value of food, clothing, or shelter-related items the individual receives in kind from persons other than the householder (including in-kind assistance from outside the household in which he/she lives) is counted as unearned income. However, the amount that is countable is limited to an amount equal to one-third of the applicable Federal benefit rate plus \$20 (\$190.66 in 2000).

SSI law defines two kinds of income—earned and unearned. Earned income is wages, net earnings from self-employment, remuneration for work in a sheltered workshop, royalties on published work, and honoraria for services. All other income is unearned. The distinction between earned and unearned income is significant because different exclusions apply to each type of income.

However, not everything an individual receives is considered to be income. Generally, if the item received cannot be used as, or to obtain, food, clothing, or shelter, it will not be considered as income. For example, if someone pays an individual's medical bills, or offers free medical care, or if the individual receives money from a social services agency that is a repayment of an amount he/she previously spent, that value is not considered income to the individual. In addition, some items that are considered to be income are excluded when determining the amount of an individual's benefit.

### Income Exclusions<sup>1</sup>

The principal *earned* income exclusions are:

- The first \$65 per month plus one-half of the remainder,
- Impairment-related work expenses of the disabled and work expenses of the blind,
- Income set aside or being used to pursue a plan for achieving self-support by a disabled or blind individual, and
- Infrequent or irregularly received income (\$10 or less a month).

The principal *unearned* income exclusions are:

- The first \$20 per month,<sup>2</sup>
- Income set aside or being used to pursue a plan for achieving self-support by a disabled or blind individual,
- State or locally funded assistance based on need,
- Rent subsidies under HUD programs and the value of food stamps, and
- Infrequent or irregularly received income (\$20 or less a month).

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<sup>1</sup> A complete list of the SSI income exclusions can be found in section V.B.

<sup>2</sup> Any portion of this \$20 amount not used to exclude unearned income may be used to exclude earned income.

## 2. Resources

The amount of an individual's resources is used to determine whether he/she is eligible for SSI in any given month. SSI law states that eligibility is restricted to individuals who have countable resources, determined monthly, that do not exceed \$2,000 (\$3,000 for a couple). The law does not define what resources are, but does stipulate what items are not considered resources.

Regulations stipulate that a resource is cash or other liquid asset or any real or personal property that individuals (or their spouses) own and could convert to cash to be used for their support and maintenance. This definition is consistent with the general philosophy of the SSI program that only items that can be used for an individual's food, clothing or shelter should be used in determining his/her eligibility and benefit amount. Not all resources an individual owns are counted. The value of an item may be totally excluded or counted only to the extent that its value exceeds specified limits.

If an individual disposes of resources at less than fair market value within the 36-month period prior to his/her application for SSI or at any time thereafter, he/she may be penalized. The penalty is a loss of benefits for a number of months (up to a 36-month maximum) obtained by dividing the uncompensated value of disposed-of-resources by the Federal benefit rate plus the maximum State supplementary payment, if any, applicable to the individual's living arrangement. The penalty does not apply if, among other things, the individual can show that the resources were disposed of exclusively for a purpose other than establishing SSI eligibility.

### Resource Exclusions<sup>1</sup>

The principal resource exclusions are:

- The home and land appertaining to it, regardless of value;
- Life insurance policies whose total face value does not exceed \$1,500;
- Burial funds not in excess of \$1,500 each for an individual and spouse (plus accrued interest);
- Household goods and personal effects in which one's equity does not exceed \$2,000;
- An automobile depending upon its use, otherwise, the current market value not in excess of \$4,500;
- Property essential to self-support; and
- Resources set aside to fulfill a plan to achieve self-support.

## 3. Filing for Other Benefits

As the "program of last resort," SSI benefits are provided to eligible individuals only to the extent that their needs are not met by other sources. That is, after evaluating all other income and resources, SSI pays what is necessary to bring an individual to the statutorily prescribed income "floor." In keeping with this principle, SSI law requires that SSI applicants file for other payments for which they may be entitled, such as annuities, pensions, retirement or disability benefits, worker's compensation, and unemployment insurance benefits.

SSA must provide an individual with written notice of potential eligibility for other benefits and of the requirement to take all appropriate steps to pursue these benefits. The individual has 30 days from receipt of the notice to file for the benefits involved.

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<sup>1</sup> A complete list of the SSI resource exclusions can be found in section V.B.

#### **4. Eligibility Issues for Residents of Public Institutions or Medical Facilities**

State and local governments—rather than the Federal Government—traditionally have taken the financial responsibility for residents of their public institutions. The SSI program continues this long-standing public assistance policy. People who are residents of public institutions for a full calendar month are generally ineligible for SSI unless one of the following exceptions applies:

- The public institution is a medical treatment facility and Medicaid pays more than 50 percent of the cost of care, or in the case of a child under age 18, Medicaid and/or private health insurance pays more than 50 percent of the cost of care;
- The public institution is a publicly operated community residence which serves no more than 16 residents;
- The public institution is an emergency shelter for the homeless (payments are limited to no more than 6 months in any 9-month period);
- The recipient was eligible under section 1619(a) or (b) for the month preceding the first full month in the public institution and is permitted by the institution to retain any benefits (payable for up to 2 months); or
- A physician certifies that the recipient's stay in a medical facility is likely not to exceed 3 months and continued SSI eligibility is needed to maintain and provide for the expenses of the home to which the individual will return.

#### **5. Personal Needs Allowance**

When individuals enter medical treatment facilities in which more than half of the bill is paid by the Medicaid program, their monthly Federal payment standard is generally reduced to \$30, beginning with the first full calendar month they are in the facility. In the case of an individual under age 18, the \$30 payment standard is also applicable if more than half of the bill is paid by private insurance or a combination of Medicaid and private insurance. The theory behind this provision is that the individual's basic needs are being met by the medical facility. In these cases, the SSI program provides up to \$30 a month, which is intended to take care of small comfort items not provided by the institution.

#### **6. Deeming**

In certain situations the income and resources of others are counted in determining whether an individual's income and resources fall below the levels established by law. This process is called "deeming" and is applied in cases where an eligible individual lives with an ineligible spouse, an eligible child lives with an ineligible parent, or an eligible noncitizen has a sponsor.<sup>1</sup> In concept, the practice takes into account the responsibility of the spouse, parent, or sponsor to provide for the basic needs of the eligible individual.

##### ***a. Spouse-to-Spouse Deeming***

When an eligible individual lives in the same household with a spouse who is not eligible for SSI, the ineligible spouse's income and resources are deemed to be available to the eligible individual. In determining the amount of income and resources available to the eligible individual, all applicable exclusions are used. In addition, a living allowance is provided for the ineligible spouse, as well as any ineligible children under age 21 living in the household. The allowance reduces the amount of income to be deemed. Spouse-to-spouse deeming is intended to result in the same amount of income available to the couple as would be available if both members of the couple were aged, blind, or disabled and eligible for SSI.

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<sup>1</sup> Deeming also applies to an individual who lives with an essential person (a concept carried over from the former State assistance plans). However, there are fewer than 100 of these cases remaining.

Deeming does not apply when the eligible individual is not living in the same household as the ineligible spouse. However, if the ineligible spouse's absence is temporary or is due solely to an active duty assignment as a member of the U.S. Armed Forces, deeming would continue to apply.

***b. Parent-to-Child Deeming***

A child under age 18 is subject to deeming from an ineligible natural or adoptive parent (and that parent's spouse, if any) living in the same household. Certain amounts of the parent's income are excluded, living allowances are provided for the parent(s) and an allocation is set aside for each ineligible child under age 21 who is living in the household. Deeming from an eligible parent to a child would continue if the parent is absent from the household but the absence is temporary or is due solely to active duty assignment as a member of the U.S. Armed Forces. If a child lives in a household in which all members are receiving public assistance benefits, that child is not considered to be receiving any support and deeming would not apply.

***c. Sponsor-to-Alien Deeming***

The income and resources of noncitizens are deemed to include those of their sponsors. The way the income and resources are deemed and the length of the deeming period depend on whether the sponsor signed a legally enforceable affidavit of support<sup>1</sup> or the previous version of the affidavit. Generally, individuals who entered the country before 1998 did so under the old version of the affidavit.<sup>2</sup>

Under the old version of the affidavit, deeming of the sponsor's income and resources lasts until the noncitizen has been in the United States for 3 years.<sup>3</sup> Living allowances equal to the Federal benefit rate are provided for the sponsor, and allowances equal to one-half of the Federal benefit rate are provided for each of the sponsor's dependents. Allowances are also provided for the sponsor and his/her family members in determining deemed resources. These allowances reduce the amount of the sponsor's income and resources deemed to the noncitizen.

For noncitizens admitted into the country under legally enforceable affidavits of support, deeming generally applies until the noncitizens become U.S. citizens. Unlike spouse-to-spouse, parent-to-child, and three-year sponsor-to-alien deeming, all countable income and resources of the sponsor or his/her spouse are deemed to the noncitizen.<sup>4</sup>

For noncitizens who were admitted into the United States under a legally enforceable affidavit of support, deeming ends before citizenship if the noncitizen has earned, or can be credited with, 40 qualifying quarters of earnings. Children and spouses of workers may be credited with quarters earned by the worker. A quarter otherwise earned after 1996 does not count as one of the required 40 if the noncitizen or worker received Federal means-tested public benefits during the relevant period.

Also for this group of noncitizens, deeming does not apply for specified periods if the noncitizens or their children or parents have been battered or subjected to extreme cruelty while in the United States or if sponsors leave the noncitizens indigent by not providing them with sufficient support.

<sup>1</sup> Legally enforceable affidavits of support are required by Public Law 104-208.

<sup>2</sup> The Immigration and Naturalization Service (INS) began using the new, legally enforceable affidavits on December 19, 1997. However, if a potential immigrant had a visa issued before that date, the sponsor would sign an old affidavit even if the affidavit was signed after December 19, 1997.

<sup>3</sup> For a temporary period—January 1994 through September 1996—the deeming period was 5 years.

<sup>4</sup> For example, no living allowances are provided for the sponsor or the sponsor's family.

## ***E. INCENTIVES FOR WORK AND OPPORTUNITIES FOR REHABILITATION<sup>1</sup>***

SSI benefits provide a basic level of assistance for individuals who are blind or disabled with limited earnings ability due to their impairments. Nonetheless, for recipients who want to work, the SSI program is designed to encourage and support their work attempts in order to help them achieve greater degrees of independence. SSI includes a number of work incentive provisions that enable recipients who are blind or disabled to work and retain benefits or to increase their levels of work activity without the loss of SSI disability status or Medicaid. These incentives provide higher amounts of income or resource exclusions as recognition of the expenses associated with working or as inducements to seek rehabilitation services and support for work efforts.

### **1. Earned Income Exclusion**

The first \$65 (\$85 if the individual has no income other than earnings) of any monthly earned income plus one-half of remaining earnings are excluded for SSI benefit computation purposes. This general earned income exclusion is intended to help offset expenses incurred when working. It assures that SSI recipients who are working will be rewarded for their efforts by having greater total income than those who do not work.

### **2. Impairment-Related Work Expense Exclusion**

The cost of certain impairment-related services and items that a disabled (but not blind) individual needs in order to work are excluded from earned income in determining monthly countable income.

In calculating these expenses, amounts equal to the costs of certain attendant care services, medical devices, equipment, prostheses and similar items and services are deductible from earnings. The costs of routine drugs and routine medical services are not deductible unless these drugs and services are necessary to control the disabling condition.

### **3. Work Expenses of the Blind Exclusion**

Any expenses relating to work that a blind individual has are excluded from earned income in determining SSI eligibility and benefit amounts. Unlike an impairment-related work expense (described above), a deductible expense need not be directly related to the worker's blindness; it need only be an ordinary and necessary work expense of the worker.

Some frequently excluded work expenses include transportation to and from work, meals consumed during work hours, job equipment, licenses, income or FICA taxes, and costs of job training.

### **4. Student Earned Income Exclusion**

The student earned income exclusion is an additional exclusion for an individual who is under age 22, regularly attending school and neither married nor the head of a household. It is intended to help defray the cost of educational training. Under current regulations, up to \$400 of earned income per month but no more than \$1,620 per year may be excluded.

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<sup>1</sup> Additional work incentive provisions enacted in Public Law 106-170 and described in section II.B, generally are not effective until January 2001 or later. These new provisions will make available to certain disabled SSI recipients additional options for obtaining vocational rehabilitation, employment services and other support services. In addition, continuing disability reviews will be restricted during SSI recipients' use of these services. More complete descriptions of these provisions will be included in this section in next year's report after they have become features of the SSI program.

## 5. Plan for Achieving Self-Support

A plan for achieving self-support (PASS) allows a disabled or blind individual to set aside income and resources to get a specific type of job or to start a business. This may involve setting aside funds for education or vocational training. Funds can even be set aside to purchase work-related equipment or pay for transportation related to the work goal. The income and resources that are set aside are excluded under the SSI income and resources tests.

The individual must have a feasible work goal, a specific savings or spending plan, and must provide for a clearly identifiable accounting for the funds which are set aside. The PASS also must be approved by SSA. The individual must then follow the plan and negotiate revisions as needed. SSA monitors the plans once approved by reviewing them periodically to ensure the individual's progress towards attaining the work goal.

## 6. Special Provisions for Disabled People Who Work

This work incentive generally is referred to by its section number in the Social Security Act, section 1619. Under section 1619(a), disabled individuals who would cease to be eligible because of earnings over the substantial gainful activity level can receive special cash benefits as long as they:

- Continue to have the disabling condition,
- Have income under the amount which would cause ineligibility for any payment under SSI income counting rules, and
- Meet all other nondisability requirements for SSI payment.

In many States, being a recipient of the special benefit permits the individual to be eligible for Medicaid benefits.

Under section 1619(b), "SSI recipient" status for Medicaid eligibility purposes also is provided to individuals:

- Whose earnings preclude any SSI payment but are not sufficient to provide a reasonable equivalent of the SSI, social services, and Medicaid benefits that the individuals would have in the absence of earnings; and
- Whose ability to continue working would be seriously inhibited by the loss of social services and Medicaid benefits.

To qualify for extended Medicaid coverage under section 1619(b) an individual must:

- Have a disabling condition,
- Need Medicaid in order to work,
- Not be able to afford equivalent medical coverage and publicly funded personal or attendant care which would be lost without assistance,
- Meet all nondisability requirements for SSI payment other than earnings, and
- Have received a regular SSI cash payment in a previous month within the current period of eligibility. (In some States, the individual must have qualified for Medicaid the month preceding the first month of 1619 eligibility.)

In determining whether individuals' earnings are not sufficient to provide them with the equivalent benefits they would be eligible for if they stopped working, their earnings are compared to a threshold amount for their State of residence. Section 1619(b) status continues if the earnings are below the threshold. If earnings exceed the State threshold, an individualized assessment of the need for Medicaid is made and 1619(b) status may continue.

## **7. Vocational Rehabilitation Referral/Reimbursement**

Since the beginning of the SSI program, SSA has made provision for blind or disabled individuals who are receiving SSI benefits to be referred to the State Vocational Rehabilitation (VR) agencies. If the State agency does not accept the referral, SSA can refer recipients to an alternate provider. SSA reimburses the VR agency for services provided in situations where the services result in the individual's working at the substantial gainful activity level for a continuous period of 9 months, and in certain other limited situations.

Individuals receiving SSI benefits who improve medically and, therefore, are no longer considered disabled or blind can continue to receive SSI benefits if they are actively participating in an approved VR program and completion of the program would increase the likelihood that they will be permanently removed from the SSI rolls. SSI benefits and Medicaid generally continue until the rehabilitation services are completed or until the individual ceases to participate in the program.

Individuals age 16 or older who receive SSI benefits due to blindness or disability and who refuse, without good cause, to accept available rehabilitation services based upon a referral from SSA shall be ineligible for SSI.

### ***F. ADMINISTRATION OF THE SSI PROGRAM***

The framers of the SSI program chose SSA to administer the SSI program because the basic system for paying monthly benefits to a large number of individuals was already in place in the form of the Social Security program, and SSA had a long-standing reputation for dealing with the public in a fair and humane manner.

#### **1. Application Process**

Individuals can make appointments to apply for SSI benefits at any one of the approximately 1,300 SSA field offices around the country or through SSA teleservice centers. The claims process includes the application interview, the obtaining of necessary evidence and documentation, and the adjudication of the claim. Although the eligibility requirements of the Social Security program and the SSI program are different, the application process is very similar. Many times, individuals file for benefits under both programs at the same time. Potential claimants initially contact SSA by phone, mail or in person. Field office personnel conduct an interview with the claimant and/or his/her representative.

SSA corroborates information provided by applicants for SSI through independent or collateral sources. Generally, the basic responsibility for obtaining evidence lies with the claimant, although SSA often gives advice on ways to obtain the needed information. Because of the special circumstances of the SSI population (for example, financial need, old age, or illness), SSA makes special efforts to assist claimants in obtaining the necessary proofs.

With regard to disability and blindness claims, SSA makes determinations of all of the nonmedical eligibility factors while each State's Disability Determination Service (DDS) makes determinations of the medical eligibility factors.

#### **2. Determinations of Eligibility**

SSI applications have no retroactivity and become effective in the month after the month of filing or the month after all eligibility requirements are met, whichever is later. Eligibility for benefits is determined on a current monthly basis. The amount of the monthly benefit generally is determined using income in the second month preceding the month for and in which the benefit is paid (a method called retrospective monthly accounting). However, at the start of a period of eligibility or re-eligibility, the benefits for the first and second months both are determined using the income received in the first month.

SSI recipients are required to have their nonmedical eligibility factors redetermined periodically, generally every 1 to 6 years depending on their specific situation.

In addition to these nonmedical reviews, medical reviews are conducted on disabled or blind recipients in order to determine if they continue to be disabled or blind. For administrative efficiency the medical reviews are done most often on those disabled or blind recipients whose medical conditions are considered likely to improve. Medical reviews are required for disabled or blind recipients, for example, under the following circumstances:

- When earnings of recipients exceed the substantial gainful activity level;
- At least once every 3 years for recipients under age 18 whose medical conditions are considered likely to improve;
- Within 12 months after birth for recipients whose low birth weight is a contributing factor material to the determination of their disability unless the Commissioner determines that the impairment is not expected to improve within 12 months of the child's birth; and
- Within 1 year after attainment of age 18 and using the adult eligibility criteria, for recipients whose eligibility for SSI benefits was established under the disabled child eligibility criteria.

### **3. Representative Payees**

When SSI recipients are incapable of managing their benefits, SSA appoints representative payees for them, and their SSI benefits are sent to the representative payees. In many cases the representative payee is a spouse, a parent, or other close relative who will act in the recipient's best interest. In some cases, an SSA-approved organization may be appointed and some organizations have been authorized by SSA to collect a fee from the benefit for acting as payee. The fee cannot exceed the lesser of 10 percent of the benefit amount or a specified amount (\$28 a month in 2000 (\$54 a month for disabled recipients who also have a drug addiction or alcoholism condition)).

Representative payees may only use an SSI recipient's benefit for the use and benefit of the recipient and must account for all benefits received. Representative payees also are required to report any changes that may affect SSI recipients' eligibility and payment amount and may be held liable for certain overpayments that occur. In cases in which a child is due a retroactive payment that exceeds six times the Federal benefit rate, the representative payee is required to establish a separate (dedicated) account at a financial institution to maintain the retroactive payment. Expenditures from the account must be used primarily for certain expenses related to the child's impairment.

### **4. Appeal Rights**

Recipients must be informed in writing in advance of adverse actions SSA plans to take and must be given the opportunity to request that their benefits continue pending a decision at the first level of appeal.

### **5. Attorney Fees**

At any time, an individual may appoint a representative in any dealings with the Social Security Administration. If such a representative is an attorney, he/she must be in good standing, have the right to practice law before a court, not be disqualified or suspended from acting as a representative in dealings with Social Security and not be prohibited by any law from acting as a representative. If the individual is not an attorney, he/she must meet qualifications specified by the Commissioner (e.g., be of good character and able to provide valuable service to claimants).

A representative may charge and receive a fee for his/her services, but the Social Security Administration generally decides how much the fee shall be. Generally, the maximum fee that would be authorized is 25

percent of the retroactive payment or \$4,000, whichever is less. A representative cannot charge or receive more than the fee amount authorized. SSI differs from the Social Security program in that amounts cannot be withheld from an individual's SSI benefits to pay for attorney fees. SSI claimants are responsible for paying such fees directly to their attorneys.

## **6. Advance Payments**

The SSI program has provisions which help to respond to the immediate needs of new claimants. These procedures are in addition to State and local programs designed to help those in need pending decisions on their SSI status.

### ***a. Emergency Advance Payments***

A new claimant who faces a financial emergency, and for whom there is a strong likelihood to be found eligible, may receive up to 1 month's SSI benefits, the Federal payment amount plus any applicable State supplement. The amount paid is recovered from later SSI payments (in full from the first payment or in increments over no more than a 6-month period, depending upon the circumstances). However, if the claim is subsequently not allowed because of not finding disability or blindness, repayment would be waived. If the claim is disallowed for other reasons, the amount paid would be an overpayment and processed as such.

### ***b. Presumptive Disability or Blindness***

Up to 6 months' payments may be made to an individual applying for benefits based on disability or blindness when the available evidence reflects a high degree of probability that his/her impairment will meet the definition of disability or blindness and he/she is otherwise eligible. These payments are not considered overpayments if the individual is later determined not to be disabled or blind.

## ***G. STATE<sup>1</sup> SUPPLEMENTATION***

In designing the SSI program Congress recognized that States, in many instances, would want to provide a higher level of income maintenance than was available under the Federal program. At the same time States were given the option to either provide no supplementation to the Federal assistance payments or to supplement those payments based on their views of the needs of their citizens. They were mandated to assure that their citizens would not receive lower benefits under the Federal program than they had under the former State program. The following paragraphs describe the various forms of State supplementation that currently exist. Table III.H1 summarizes State-specific participation in these programs as well as other programs requiring State and Federal coordination as discussed in section H.

### **1. Optional State Supplementary Payment Programs**

For individuals who first became eligible for SSI in 1974 or later, each State could supplement Federal payments to whatever extent it found appropriate with respect to the needs of its citizens and resources of the State. In 2000, 45 States have optional State supplementary payment programs.

Some States provide supplementary payments to all individuals eligible for SSI benefits, while others may limit them to certain SSI recipients such as the blind or residents of domiciliary-care facilities, or may extend them to persons ineligible for SSI because of excess income. States' flexibility in setting supplementary payments, however, has been significantly restricted by mandatory passalong provisions (described below).

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<sup>1</sup> References to State include, in addition to the 50 States, the District of Columbia.

## 2. Mandatory State Supplementary Payment Programs

States are required<sup>1</sup> to maintain the December 1973 income levels of individuals who were transferred from the former State adult assistance programs to the SSI program in 1974, except for Texas which has a constitutional bar against mandatory State supplementation. Because of the increases in Federal benefits over the years, there are few individuals who continue to receive mandatory State supplementary payments. In December 1999, there were roughly 1,800 such recipients receiving a Federally-administered payment.

## 3. Administration of State Supplementary Payments

A State may administer its supplementary program or enter into an agreement under which SSA will make eligibility determinations and payments on behalf of the State. Under State administration, the State pays its own program benefits and absorbs the full administrative costs. Under Federal administration States are required to pay SSA a \$7.80 fee for each supplementary payment issued in fiscal year 2000. Fees are scheduled to rise in succeeding fiscal years.

States that administer their own supplementary payment programs establish their own eligibility criteria. States with Federally-administered programs must adhere to SSI eligibility criteria in all aspects except that they may establish additional income disregards.

## 4. Mandatory Passalong

It was originally Congress' view that increases in the Federal SSI benefit rate eventually would replace State supplementary payments. However, public reaction to States reducing their supplementary payment amounts when SSI payments were increased led Congress to mandate that States pass along SSI benefit increases resulting from cost-of-living adjustments.

To meet the passalong requirement, a State may either maintain each State payment level from year-to-year—the “payment levels” method—or it may spend the same amount of money, in the aggregate, that it spent for supplementary benefits in the 12-month period preceding the increase in the SSI benefit rate—the “total expenditures” method. Currently 39 States use the levels method and 11 use the expenditure method. West Virginia has no optional supplementary plan and was not required to establish a mandatory plan because Federal SSI income standards exceeded all payments made under the State's adult assistance programs in 1973.

## *H. COORDINATION WITH OTHER PROGRAMS*

SSI benefits are not the only form of assistance available to needy aged, blind, or disabled individuals. Medicaid, food stamps, and temporary State assistance also are important in keeping individuals from sliding further into poverty. SSA plays a limited but important role in helping States with regard to administration of Medicaid and food stamp programs, and provisions in the SSI statute assure that payments made by States or under the Social Security program are not duplicated by SSI benefits.

### 1. Windfall Offset

If a person receives SSI payments, and is later determined to be entitled to retroactive Social Security benefits, such retroactive benefits are reduced by the amount of SSI payments the person would not have been eligible for had the Social Security benefits been paid in the month they were due. This process is called the “windfall offset” and was enacted to prevent windfall payments to individuals when Social Security and SSI payments were paid for the same period.

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<sup>1</sup> Requirement does not affect West Virginia, since, in 1973, SSI Federal benefit rates exceeded the applicable income standards under the State's adult assistance programs.

## 2. Medicaid Determinations

Generally, SSI recipients are categorically eligible for Medicaid. A State may either use SSI eligibility criteria for determining Medicaid eligibility, or use its own criteria as long as the criteria is no more restrictive than the State's January 1972 medical assistance standards. Forty States use SSI criteria and 11 States use their own criteria.

States also may enter into agreements with SSA for SSA to make Medicaid eligibility determinations on their behalf as long as the eligibility requirements of the State's Medicaid plans are the same as those for the SSI program. Under these agreements, SSA determines only when an individual is eligible for Medicaid; SSA does not determine Medicaid ineligibility. SSA has Medicaid determination agreements with 33 States.

Continued Medicaid eligibility is provided in SSI law for certain Social Security beneficiaries who lose SSI due to entitlement to Social Security benefits, or due to an increase in Social Security benefits resulting from:

- Cost-of-living adjustments,
- Actuarial increases in widow(er)s benefits,
- Changes in the definition of disability for widow(er)s benefits, or
- Increases in disabled adult child benefits.

## 3. Food Stamp Applications

SSI recipients in all States, except California,<sup>1</sup> may be eligible for food stamps. Under agreements entered into by the Secretary of Agriculture and SSA, Social Security offices notify Social Security and SSI applicants and recipients of their potential benefits under the Food Stamp program and make food stamp applications available to them.

The law also provides for Social Security offices to take food stamp applications from potentially eligible or eligible SSI households which are not already receiving food stamps and which do not have a food stamp application pending. Food stamp applications from SSI households may be taken in connection with initial SSI claims or at the time of a redetermination. Food stamp applicants have the option of applying at Social Security offices or applying at State food stamp offices if expedited service is required. Social Security offices forward the food stamp applications and any supporting documents to the local food stamp offices within 1 day of taking the application. Eligibility is determined by the food stamp office.

## 4. Interim Assistance Reimbursement

SSA may enter into agreements under which States or local governments are reimbursed for basic needs assistance provided during the period that either an eligible individual's SSI application for benefits was pending, or the individual's SSI benefits were suspended and subsequently reinstated (the interim period).

Under these interim assistance reimbursement agreements, if the individual has given SSA written authorization, SSA sends an individual's first SSI benefit check relating to the interim period to the State or local jurisdiction that had provided the interim assistance. The State then deducts the amount it is owed and is required to forward the remainder to the claimant within 10 days.<sup>2</sup> Thirty-seven States have interim assistance agreements with SSA.

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<sup>1</sup> California "cashes out" food stamps and SSI recipients there receive a cash payment in their State supplementary payment in lieu of food stamps.

<sup>2</sup> Beginning in August, 1996, in certain disabled children's cases, SSA first reimburses the State, then pays the remainder into special dedicated financial institution accounts for the children. In all cases where the retroactive benefits exceed a certain amount, SSA reimburses the State, then pays the remainder in installments to the recipient or his/her representative payee.

Table III.H1.—SSI State Supplementation<sup>1</sup> and Coordination with Other Programs

United States and District of Columbia	Optional State program— Administered by:			Method of mandatory passalong of benefit increases from cost-of-living adjustments		Medicaid eligibility determination—			Interim assistance reimbursement agreement with SSA
	State	Federal (SSA)	Federal & State	“Payment levels”	“Total expenditures”	Based on:		Agreement with SSA to determine eligibility	
						Federal criteria	State criteria		
Alabama <sup>2</sup>	*			*		*		*	
Alaska	*			*		*			*
Arizona	*			*		*		*	*
Arkansas <sup>3</sup>				*		*		*	
California		*		*		*		*	*
Colorado	*				*	*		*	*
Connecticut <sup>2</sup>	*			*			*		*
Delaware		*		*		*		*	
District of Columbia		*			*	*		*	
Florida <sup>2</sup>	*			*		*		*	*
Georgia <sup>3</sup>				*		*		*	*
Hawaii		*		*			*		*
Idaho	*				*	*			
Illinois	*			*			*		*
Indiana	*			*			*		*
Iowa			*		*	*		*	*
Kansas <sup>3</sup>				*		*			*
Kentucky <sup>2</sup>	*			*		*		*	*
Louisiana <sup>4</sup>	*			*		*		*	
Maine	*				*	*		*	*
Maryland <sup>4</sup>	*			*		*		*	*
Massachusetts		*		*		*		*	*
Michigan			*	*		*		*	* 5
Minnesota	*			*			*		*
Mississippi <sup>3</sup>				*		*		*	
Missouri	*			*			*		*
Montana		*		*		*		*	*
Nebraska	*				*	*			*
Nevada <sup>2</sup>		*		*		*			*
New Hampshire	*			*			*		* 5
New Jersey		*		*		*		*	*
New Mexico	*			*		*		*	* 5
New York			*	*		*		*	*
North Carolina	*			*		*		*	*
North Dakota <sup>2</sup>	*			*			*		
Ohio <sup>4</sup>	*			*			*		*
Oklahoma	*				*		*		
Oregon	*				*	*			*
Pennsylvania		*		*		*		*	*
Rhode Island <sup>2</sup>		*		*		*		*	* 5
South Carolina <sup>2</sup>	*			*		*		*	
South Dakota <sup>4</sup>	*			*		*		*	
Tennessee <sup>3</sup>				*		*		*	*
Texas <sup>6</sup>	*			*		*		*	
Utah <sup>2</sup>		*		*		*			*
Vermont <sup>2</sup>			*	*		*		*	*
Virginia	*				*		*		*
Washington			*		*	*		*	*
West Virginia <sup>6</sup>					*	*		*	
Wisconsin	*				*	*		*	*
Wyoming	*			*		*		*	
Total number of States	29	11	5	39	11	40	11	33	37

<sup>1</sup> See body of text for description of the various forms of State supplementation.

<sup>2</sup> State no longer has any recipients receiving mandatory minimum State supplementation.

<sup>3</sup> Mandatory minimum State supplementation program is Federally-administered. No optional program.

<sup>4</sup> Mandatory minimum State supplementation program is Federally-administered.

<sup>5</sup> State provides assistance only in initial application cases. No assistance provided during periods that SSI benefits are suspended or terminated.

<sup>6</sup> State does not have a mandatory minimum State supplementation program.

#### **IV. ESTIMATES OF PROGRAM PARTICIPATION AND FEDERAL EXPENDITURES UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM, 2000-24**

As described in section III, eligibility for payments under the SSI program depends on a collection of provisions related to the socioeconomic status of the individual, as well as the evaluation of disability or blindness for all persons under age 65, and for certain individuals at ages 65 or older. Consequently, future SSI program participation will depend on a variety of difficult-to-predict factors including the performance of national and local economies, distribution of personal income within that macroeconomic framework, the prevalence of disability in the general population, and the determination of disability as defined by the Social Security Act.

Estimates of expenditures under the SSI program, prior to the issuance of the first SSI Annual Report in May 1997, were of a short-term nature prepared in conjunction with the President's Budget. These short-term projections relied exclusively on the evaluation of recent historical trends in the SSI program, and the extrapolation of such trends into the next few years. The provisions of Public Law 104-193 mandating this report required that such projections of future program participation be prepared for a period of at least 25 years. As was discussed in the 1997 Annual Report, due to the complex interaction between the economy and the SSI program, models for projecting SSI program participation over such an extended time period should incorporate more sophisticated concepts than the trend analysis traditionally used for budget purposes. In the 1998 Annual Report, the Office of the Chief Actuary announced the beginning of a multi-year program of research intended to develop the appropriate data and models to reflect the impact of the relevant cofactors on the future of the SSI program. We expect to incorporate partial improvements to our models on an annual basis, and the estimates presented in this and future reports will reflect such step-wise improvements.

For this fourth annual report, our estimates are based on the revised structural model first introduced in the 1999 Annual Report. As described in that report, the revised model disaggregated the basic population by single year-of-age and gender in order to better understand and forecast the various transitions in and out of payment status. In addition, movements out of payment status were further examined by reason for such movements, although at this stage the analysis was limited to two broad groups: (1) terminations due to death and (2) suspension of payment due to all other reasons.<sup>1</sup> The additional detail in the revised model enabled us to better analyze the transition from disabled child status to status as a disabled adult at age 18, and provided us with an enhanced ability to analyze the age structure of the historical and forecasted disabled adult population. Since last year's report, we have analyzed certain age subgroups in greater detail, with the result that our longer term assumptions with respect to the growth in the SSI population better reflect the growth patterns to be expected of the respective age groups. As a consequence, the current forecasts presented in this section suggest slightly slower growth among disabled children, but slightly faster growth among disabled adults. The presentation of forecast results in the remainder of this section corresponds to our new model structure. In particular, all tables present SSI population information by selected age groups, rather than groups based exclusively on SSI recipient categories. Where certain recipient categories have overlapping age distributions, recipient category totals are still shown.

##### **A. ECONOMIC AND DEMOGRAPHIC ASSUMPTIONS**

As in previous annual reports, the estimates presented in this section have been prepared in a manner which accounts for the basic demographic changes expected to occur over the next 25 years. In addition, the indexation of the Federal benefit rate depends on a projection of the Consumer Price Index (CPI) over that same 25-year period. For purposes of developing these estimates, we have relied on the demographic projections and CPI assumptions underlying the intermediate estimates prepared for the 2000 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance

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<sup>1</sup> The two main reasons other than death for termination of SSI payments are failure to satisfy income and resource limitations of the SSI program and recovery from a qualifying disability.

Trust Funds.<sup>1</sup> Detailed discussion of these economic and demographic parameters is presented in section II.D of that report.<sup>2</sup> The key assumptions utilized directly for the projections presented in this report are summarized in the following two tables. Table IV.A1 presents population projections summarized by certain age subgroups that match the presentation of SSI participant projections discussed in the next section.

**Table IV.A1.—Historical and Estimated Population in the Social Security Area as Projected for the Intermediate Assumptions of the 2000 OASDI Trustees Report, as of July 1, 1974-2024**

Year	Age groups						Total all ages
	0-17	18-34	35-49	50-64	65-74	75 or older	
Historical data:							
1974.....	70,714	60,135	36,339	32,809	13,865	8,871	222,734
1975.....	69,727	62,097	36,322	33,154	14,164	9,102	224,566
1976.....	68,736	63,985	36,488	33,425	14,480	9,343	226,457
1977.....	67,830	65,649	36,897	33,694	14,805	9,595	228,470
1978.....	67,001	67,227	37,479	33,931	15,127	9,860	230,625
1979.....	66,271	68,859	38,053	34,102	15,437	10,140	232,861
1980.....	65,746	70,454	38,557	34,245	15,721	10,428	235,150
1981.....	65,419	71,564	39,518	34,319	15,991	10,721	237,531
1982.....	65,213	72,167	41,020	34,275	16,278	11,044	239,997
1983.....	65,164	72,649	42,550	34,151	16,544	11,370	242,428
1984.....	65,272	72,990	44,010	34,057	16,793	11,680	244,803
1985.....	65,527	73,210	45,449	33,959	17,082	11,983	247,210
1986.....	65,849	73,318	47,030	33,756	17,438	12,277	249,668
1987.....	66,124	73,382	48,708	33,617	17,752	12,587	252,169
1988.....	66,358	73,482	50,398	33,595	17,998	12,896	254,726
1989.....	66,809	73,395	52,167	33,588	18,241	13,209	257,408
1990.....	67,627	72,868	53,971	33,669	18,441	13,580	260,150
1991.....	68,621	72,039	55,733	33,902	18,605	13,977	262,877
1992.....	69,622	71,141	57,392	34,342	18,786	14,357	265,639
1993.....	70,542	70,269	58,969	34,926	18,930	14,710	268,346
1994.....	71,348	69,427	60,576	35,509	19,022	15,033	270,916
1995.....	72,006	68,639	62,253	36,045	19,055	15,373	273,370
1996.....	72,566	67,971	63,669	36,895	18,986	15,744	275,831
1997.....	73,010	67,464	64,648	38,228	18,864	16,088	278,302
1998.....	73,328	67,067	65,472	39,742	18,726	16,399	280,733
1999.....	73,572	66,771	66,261	41,225	18,605	16,688	283,122
Estimated:							
2000.....	73,768	66,664	66,854	42,707	18,535	16,947	285,475
2001.....	73,961	66,753	67,203	44,252	18,500	17,179	287,848
2002.....	74,160	66,966	67,322	45,887	18,485	17,403	290,223
2003.....	74,310	67,264	67,282	47,569	18,530	17,618	292,573
2004.....	74,420	67,557	67,171	49,311	18,641	17,803	294,903
2005.....	74,512	67,794	67,036	51,106	18,810	17,960	297,218
2006.....	74,560	68,112	66,779	52,908	19,087	18,076	299,522
2007.....	74,526	68,704	66,243	54,639	19,573	18,136	301,821
2008.....	74,407	69,581	65,473	56,255	20,247	18,155	304,119
2009.....	74,268	70,561	64,623	57,869	20,916	18,181	306,417
2010.....	74,181	71,492	63,764	59,551	21,488	18,240	308,716
2011.....	74,175	72,317	62,948	61,020	22,246	18,309	311,014
2012.....	74,245	73,005	62,239	62,056	23,372	18,393	313,310
2013.....	74,376	73,567	61,665	62,913	24,554	18,524	315,600
2014.....	74,556	73,997	61,276	63,713	25,646	18,692	317,881
2015.....	74,768	74,304	61,132	64,320	26,733	18,893	320,149
2016.....	74,977	74,569	61,210	64,680	27,809	19,156	322,400
2017.....	75,184	74,809	61,439	64,815	28,838	19,546	324,632
2018.....	75,415	75,028	61,709	64,801	29,826	20,059	326,838
2019.....	75,663	75,240	61,927	64,723	30,888	20,574	329,015
2020.....	75,920	75,399	62,110	64,626	32,060	21,043	331,158
2021.....	76,179	75,513	62,357	64,416	33,128	21,668	333,261
2022.....	76,431	75,603	62,796	63,942	33,957	22,590	335,319
2023.....	76,670	75,645	63,462	63,244	34,727	23,580	337,328
2024.....	76,889	75,599	64,281	62,470	35,531	24,513	339,283

## Notes:

1. Historical population data subject to revision.
2. Totals do not necessarily equal the sums of rounded components.

As described in section III.D.1, the monthly Federal benefit rate is adjusted annually in January to reflect changes in the level of consumer prices. The adjustment factor is based on the year-to-year increase in the CPI for the third quarter of the calendar year. This “cost-of-living” adjustment is identical to the adjust-

<sup>1</sup> House Document 106-221, published March 30, 2000.

<sup>2</sup> *Ibid*, Section II.D, *Principal Economic and Demographic Assumptions*.

ment of Social Security benefits under the OASDI program. In previous years, occasional ad hoc increases were also applied to the Federal benefit rates, either in place of or in addition to such automatic adjustments. The history of legislation affecting the Federal benefit rates is presented in table V.A1. Table IV.A2 presents a complete history of the “cost-of-living” adjustment factors and Federal benefit rates since the inception of the program, along with projections of such amounts consistent with the economic assumptions underlying the SSI expenditure estimates discussed in section IV.C.

**Table IV.A2.—Social Security Cost-of-Living Adjustments and Federal Benefit Rates Estimated on the Basis of the Intermediate Assumptions of the 2000 OASDI Trustees Report, 1974-2024**

Year	Benefit rate increase <sup>1</sup>	Federal benefit rate		
		Individual	Couple	Essential person <sup>2</sup>
Historical data:				
Initial benefit paid				
January 1, 1974 <sup>3</sup>	—	\$140.00	\$210.00	\$70.00
1974 .....	<sup>4</sup> 4.3%	146.00	219.00	73.00
1975 .....	8.0	157.70	236.60	78.90
1976 .....	6.4	167.80	251.80	84.00
1977 .....	5.9	177.80	266.70	89.00
1978 .....	6.5	189.40	284.10	94.80
1979 .....	9.9	208.20	312.30	104.20
1980 .....	14.3	238.00	357.00	119.20
1981 .....	11.2	264.70	397.00	132.60
1982 .....	7.4	284.30	426.40	142.50
1983 .....	<sup>4</sup> 7.0	304.30	456.40	152.50
1984 .....	3.5	314.00	472.00	157.00
1985 .....	3.5	325.00	488.00	163.00
1986 .....	3.1	336.00	504.00	168.00
1987 .....	1.3	340.00	510.00	170.00
1988 .....	4.2	354.00	532.00	177.00
1989 .....	4.0	368.00	553.00	184.00
1990 .....	4.7	386.00	579.00	193.00
1991 .....	5.4	407.00	610.00	204.00
1992 .....	3.7	422.00	633.00	211.00
1993 .....	3.0	434.00	652.00	217.00
1994 .....	2.6	446.00	669.00	223.00
1995 .....	2.8	458.00	687.00	229.00
1996 .....	2.6	470.00	705.00	235.00
1997 .....	2.9	484.00	726.00	242.00
1998 .....	2.1	494.00	741.00	247.00
1999 .....	1.3	500.00	751.00	250.00
2000 .....	2.4	512.00	769.00	257.00
Estimated:				
2001 .....	3.1	528.00	793.00	264.00
2002 .....	3.0	544.00	816.00	272.00
2003 .....	3.0	560.00	841.00	281.00
2004 .....	3.1	578.00	867.00	289.00
2005 .....	3.2	596.00	895.00	299.00
2006 .....	3.3	616.00	924.00	308.00
2007 .....	3.3	636.00	955.00	319.00
2008 .....	3.3	657.00	986.00	329.00
2009 .....	3.3	679.00	1,019.00	340.00
2010 .....	3.3	702.00	1,052.00	351.00
2011 .....	3.3	725.00	1,087.00	363.00
2012 .....	3.3	749.00	1,123.00	375.00
2013 .....	3.3	773.00	1,160.00	387.00
2014 .....	3.3	799.00	1,198.00	400.00
2015 .....	3.3	825.00	1,238.00	413.00
2016 .....	3.3	853.00	1,279.00	427.00
2017 .....	3.3	881.00	1,321.00	441.00
2018 .....	3.3	910.00	1,365.00	456.00
2019 .....	3.3	940.00	1,410.00	471.00
2020 .....	3.3	971.00	1,456.00	486.00
2021 .....	3.3	1,003.00	1,504.00	502.00
2022 .....	3.3	1,036.00	1,554.00	519.00
2023 .....	3.3	1,070.00	1,605.00	536.00
2024 .....	3.3	1,106.00	1,658.00	554.00

<sup>1</sup> Increases prior to 1984 were effective for the payment due on July 1 of the year. Increases shown for 1984 and later are effective for the payment due on January 1 of the year.

<sup>2</sup> A concept carried over from the former State assistance plans. There are currently fewer than 100 of those cases remaining.

<sup>3</sup> Benefits paid in January, 1974 were based on the Federal benefit rates established by Public Law 92-603, enacted October 30, 1972: \$130.00 for individuals; \$195.00 for couples; and \$65.00 for essential persons. Retroactive payments were subsequently made to adjust initial payments to the higher Federal benefit rates established by Public Law 93-233, enacted December 31, 1973.

<sup>4</sup> Ad hoc increases as specified in the law.

Estimates presented in the sections that follow are based on the assumptions described in this section. Furthermore, for purposes of making these estimates, it is assumed that no changes will occur during the projection period in the present statutory provisions and regulations under which the SSI program operates.

### ***B. NUMBERS OF PARTICIPANTS IN THE SSI PROGRAM***

In this section, we present our projections of the various subpopulations which lead to the numbers of persons receiving Federal SSI payments. As described above, the forecasting models that produce these projections were restructured to handle population flows by single-year-of-age. Correspondingly, as in the 1999 Annual Report, the tables in this section present these population totals by selected age groupings. This is in contrast with annual reports prior to 1999 which presented forecast results exclusively by recipient categories of *aged, blind or disabled adults*, and *blind or disabled children*. Since these recipient categories are in large part based on age, the additional age breakouts shown in this year's report can be viewed as a refinement of the information presented in the first two SSI Annual Reports. The following paragraphs discuss a few of the subtle points in the translation between the previous recipient categories and current age categories.

- The *aged* category includes those individuals whose eligibility for SSI benefits is established based on meeting the age-65-or-older requirement for assistance, and the income and resource limits applicable for adults. In December 1999, there were 1.308 million aged recipients of Federally-administered SSI payments.
- The *blind or disabled adults* category includes those individuals whose eligibility is established based on meeting the definition of blindness or disability for individuals age 18 or older, and the income and resource limits applicable for adults. After attainment of age 65 these individuals generally continue to be classified as blind or disabled adults (rather than aged). In December 1999, there were 4.377 million blind or disabled adult recipients of Federally-administered SSI payments, including 691 thousand disabled and 19 thousand blind recipients aged 65 or older.
- The *blind or disabled children* category includes those individuals whose initial eligibility is established based on meeting the definition of blindness or disability for individuals under age 18. At age 18 these individuals continue to be eligible for SSI if they meet the definition of blindness or disability for individuals age 18 or older. As a result, blind or disabled children are generally reclassified as blind or disabled adults at age 18. However, students aged 18 to 21 are still classified as blind or disabled children, but only for purposes of applying a special student earned income exclusion.<sup>1</sup> The numbers of students, however, represent a small percentage of the total number of disabled children. For example, in December 1999, there were 871 thousand blind or disabled child recipients of Federally-administered SSI payments, including 24 thousand students aged 18 to 21. Since these students are small in number, and for most purposes treated under the program as disabled adults, most agency management information is moving in the direction of equating disabled children with the age grouping 0 to 17. As in the 1999 Annual Report, our tables showing historical and projected SSI data conform to this new standard.

Much of the historical age-specific information presented in the discussion that follows had to be reconstructed using samples of various sizes. Most age-specific splits prior to 1980 have not yet been developed, but may be constructed for future reports as we develop more complete retrospective data. Historical age breakouts may be revised in future reports as more complete data become available. Unless otherwise indicated, the historical calendar year program totals should agree with those shown in previous SSI Annual Reports.

Table IV.B1 presents historical and projected numbers of persons applying for SSI benefits, by calendar year of application. Figure IV.B1 presents this same information in graphical form. Actual numbers of applications received in 1999 were about 3.3 percent higher than were received in 1998. The actual result

<sup>1</sup> Parent-to-child deeming ends in all cases when an individual turns 18.

for 1999 was about 0.9 percent lower than estimated for 1999 in the 1999 Annual Report. This slightly more favorable experience is probably largely attributable to better performance of the economy than anticipated at the beginning of 1999, since no legislative or regulatory changes occurred in 1999 that would have had a significant impact on SSI applications. Longer term trends in applications are estimated to continue to grow from current levels roughly in line with overall population growth.

**Table IV.B1.—SSI Federally-Administered Applications,<sup>1</sup> Calendar Years 1974-2024**

[In thousands]

Calendar year	Blind or disabled, by age group						Aged, by age group			Totals	
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
1975 <sup>3</sup> ...	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	1,075	325	1,400
1976.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	984	254	1,239
1977.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	1,040	259	1,298
1978.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	1,046	258	1,304
1979.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	1,090	262	1,352
1980.....	122	310	272	438	8	1	187	89	1,151	276	1,427
1981.....	78	206	173	271	5	(5)	88	42	733	130	864
1982.....	88	246	206	278	11	1	93	48	830	141	971
1983.....	102	258	225	311	5	1	122	68	902	190	1,092
1984.....	103	267	247	321	7	(5)	178	108	944	286	1,230
1985.....	114	294	297	409	7	(5)	151	73	1,122	223	1,345
1986.....	122	316	334	426	7	1	150	81	1,205	231	1,437
1987.....	108	287	299	331	7	1	134	66	1,033	200	1,233
1988.....	114	282	301	317	7	1	131	69	1,021	200	1,221
1989.....	116	297	323	329	7	(5)	146	76	1,072	222	1,294
1990.....	149	335	380	356	6	(5)	156	71	1,226	227	1,454
1991.....	237	391	453	391	7	(5)	159	68	1,479	227	1,706
1992.....	339	453	522	407	8	(5)	163	64	1,728	226	1,955
1993.....	473	506	570	416	7	(5)	158	61	1,973	218	2,191
1994.....	517	492	571	402	6	(5)	136	52	1,989	188	2,177
1995.....	473	435	524	363	6	(5)	121	44	1,801	165	1,966
1996.....	431	393	500	345	9	1	108	44	1,678	153	1,831
1997.....	306	317	438	307	8	1	82	35	1,377	117	1,494
1998.....	318	317	453	331	9	1	96	39	1,428	136	1,563
1999.....	338	317	470	336	6	(5)	107	39	1,468	145	1,614
Estimated:											
2000.....	341	328	472	347	6	(5)	105	39	1,494	144	1,637
2001.....	342	333	470	360	6	(5)	104	39	1,510	143	1,653
2002.....	342	334	471	373	6	(5)	104	39	1,526	143	1,669
2003.....	342	336	471	387	6	(5)	104	39	1,542	143	1,685
2004.....	342	336	470	401	6	(5)	103	39	1,556	142	1,698
2005.....	342	337	470	415	6	(5)	102	39	1,570	141	1,710
2006.....	342	338	467	429	6	(5)	102	38	1,583	140	1,722
2007.....	341	342	462	443	7	(5)	103	37	1,595	140	1,735
2008.....	341	347	456	456	7	(5)	103	36	1,607	140	1,747
2009.....	341	352	450	468	7	(5)	103	36	1,618	138	1,756
2010.....	341	356	444	480	7	(5)	103	35	1,628	138	1,766
2011.....	341	360	439	489	8	(5)	107	35	1,638	142	1,780
2012.....	342	363	434	496	9	(5)	112	35	1,645	147	1,792
2013.....	343	366	430	503	9	(5)	115	35	1,651	150	1,801
2014.....	344	367	427	509	9	(5)	119	35	1,657	154	1,811
2015.....	345	368	427	512	9	(5)	123	35	1,662	159	1,821
2016.....	346	370	427	514	10	(5)	128	36	1,667	164	1,830
2017.....	347	371	429	513	10	(5)	131	37	1,670	168	1,838
2018.....	348	372	430	512	10	(5)	135	38	1,673	172	1,845
2019.....	350	373	431	510	11	(5)	140	39	1,675	178	1,853
2020.....	351	374	432	509	11	(5)	144	40	1,677	184	1,861
2021.....	352	375	434	506	11	(5)	149	41	1,678	190	1,868
2022.....	353	376	438	501	11	(5)	152	43	1,679	195	1,874
2023.....	354	376	444	494	11	(5)	155	45	1,679	200	1,879
2024.....	354	375	450	487	12	(5)	159	46	1,679	205	1,884

<sup>1</sup> Based on data reported in the Integrated Workload Management System (formerly known as the District Office Workload Report).

<sup>2</sup> Consistent data on applications for 1974 (the first year of operation of the program) are not available.

<sup>3</sup> Totals estimated using a 1-percent sample.

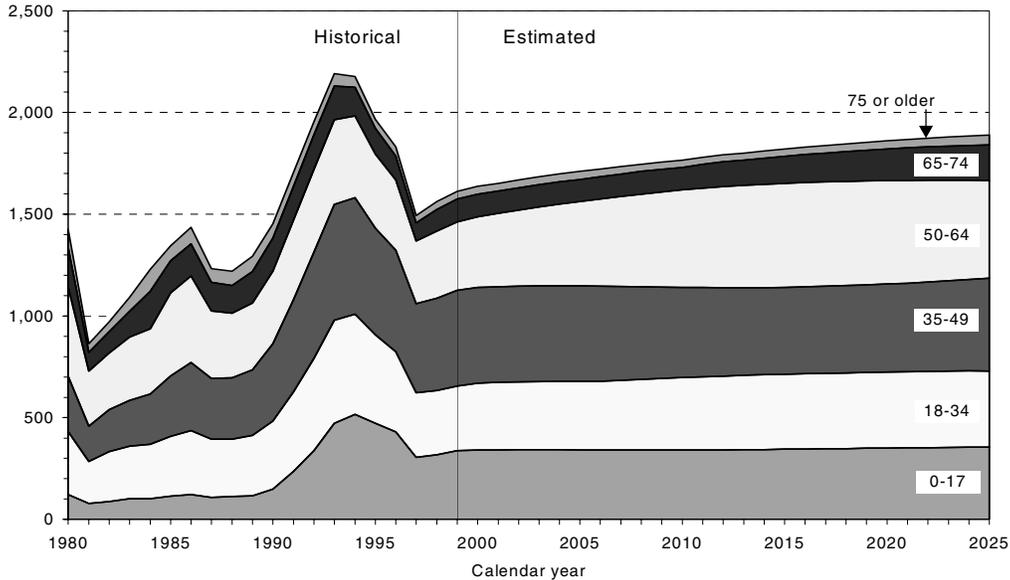
<sup>4</sup> Age-specific information for these years not yet available.

<sup>5</sup> Fewer than 500.

Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

**Figure IV.B1.—SSI Federally-Administered Applications by Age Group, Calendar Years 1980-2025**  
[In thousands]



The adjudication of these applications involves an evaluation of levels of income and resources available to the applicants, as well as other eligibility factors including marital and citizenship status and living arrangements. In addition, in over 90 percent of the cases, an evaluation of an alleged impairment must be done by the appropriate State Disability Determination Service. An unfavorable disability determination may then be appealed by the applicant through several administrative levels of appeal. If all administrative levels of appeal are exhausted, the applicant may in turn carry his/her appeal to the Federal courts. Data on recent historical experience for this disability decision process is presented in section V.C.

Table IV.B2 and figure IV.B2 present historical and projected numbers of persons who are ultimately awarded SSI eligibility as a result of this decision process. In that table and graph, we are essentially counting individuals as being awarded in the first month that they move into SSI payment status. For this reason, we refer to these individuals as “new entrants” rather than “awards.”<sup>1</sup> The numbers of new entrants into SSI payment status increased in 1998 and again slightly in 1999 following a period of decline ending in 1997.

<sup>1</sup> In addition, these counts differ slightly from other similar totals identified as “awards” and published by the Office of Research, Evaluation, and Statistics (ORES) in the *Annual Statistical Supplement to the Social Security Bulletin*. The ORES totals are similar in concept to those used in this report, but differ slightly due to the timing of the action being tabulated. For example, ORES does not count a disability benefit as being awarded until the disability decision is made. Under the procedures used in this report, individuals first coming on the SSI rolls through a finding of presumptive disability would be counted as a “new entrant” in the first month of presumptive disability payment. In contrast, ORES would not count this person as an award until a final disability allowance decision had been rendered.

**Table IV.B2.—SSI Federally-Administered New Entrants, Calendar Years 1974-2024**  
[In thousands]

Calendar year <sup>1</sup>	Blind or disabled, by age group						Aged, by age group		Totals <sup>2</sup>		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
<b>Historical data:</b>											
1974 <sup>3</sup> ...	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	1,919	2,479	4,398
1975.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	584	347	931
1976.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	452	218	669
1977.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	429	209	637
1978.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	370	193	563
1979.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	330	169	499
1980.....	41	92	61	142	4	(5)	125	59	341	184	524
1981.....	37	77	49	106	3	(5)	80	37	272	117	389
1982.....	38	63	51	90	4	(5)	72	31	245	103	348
1983.....	47	88	62	117	3	(5)	95	51	317	146	463
1984.....	47	109	78	142	4	(5)	131	78	380	209	589
1985.....	48	104	80	148	4	(5)	106	46	384	152	536
1986.....	55	127	109	153	5	(5)	110	51	449	161	610
1987.....	48	119	106	157	5	(5)	116	52	435	167	602
1988.....	50	101	108	146	5	1	112	56	412	167	579
1989.....	48	113	115	155	5	(5)	127	62	436	189	625
1990.....	76	136	134	182	5	(5)	149	66	533	215	748
1991.....	126	146	172	200	6	(5)	139	54	650	193	844
1992.....	221	199	221	233	6	(5)	133	48	881	181	1,062
1993.....	235	194	221	225	6	(5)	136	49	881	185	1,066
1994.....	204	164	207	215	6	(5)	116	42	796	157	953
1995.....	177	147	207	218	5	(5)	105	36	755	141	895
1996.....	145	134	193	203	6	1	93	35	681	128	809
1997.....	116	111	171	178	4	(5)	68	25	580	93	673
1998.....	135	117	181	194	7	1	78	30	634	108	742
1999.....	140	114	186	195	5	(5)	87	33	640	120	760
<b>Estimated:</b>											
2000.....	147	119	185	199	6	(5)	87	33	656	120	776
2001.....	143	120	185	205	5	(5)	85	33	659	118	777
2002.....	143	120	185	213	6	(5)	85	33	668	118	785
2003.....	143	121	186	221	6	(5)	85	33	676	118	794
2004.....	143	121	186	229	6	(5)	84	33	685	117	801
2005.....	143	121	185	237	6	(5)	83	32	693	115	808
2006.....	143	121	184	244	6	(5)	83	32	698	114	812
2007.....	143	121	179	249	7	(5)	83	31	699	114	813
2008.....	143	121	175	253	7	(5)	83	30	698	113	811
2009.....	143	120	170	256	6	(5)	82	29	695	111	806
2010.....	143	120	165	259	6	(5)	82	28	692	110	802
2011.....	143	120	160	260	6	(5)	85	28	690	113	803
2012.....	144	120	158	263	7	(5)	88	28	691	116	807
2013.....	144	121	156	267	7	(5)	90	28	694	117	812
2014.....	144	121	155	270	7	(5)	94	28	697	121	818
2015.....	145	121	155	272	7	(5)	97	28	699	125	825
2016.....	145	122	155	273	7	(5)	101	29	702	129	831
2017.....	146	122	155	273	7	(5)	104	29	703	133	837
2018.....	146	122	156	273	7	(5)	107	30	705	137	842
2019.....	147	123	156	272	8	(5)	111	31	706	142	847
2020.....	147	123	157	272	8	(5)	114	32	707	146	853
2021.....	148	124	158	270	8	(5)	118	33	707	150	858
2022.....	148	124	159	268	8	(5)	121	34	708	155	863
2023.....	148	124	161	265	8	(5)	123	36	707	159	866
2024.....	148	124	164	262	8	(5)	126	37	707	164	870

<sup>1</sup> Represents period in which first payment was made, not date of first eligibility for payments.

<sup>2</sup> Historical totals estimated based on 1-percent or 10-percent sample data.

<sup>3</sup> Totals for 1974 include recipients converted from previous State programs as well as new entrants to the SSI program during 1974.

<sup>4</sup> Age-specific information for these years not yet available.

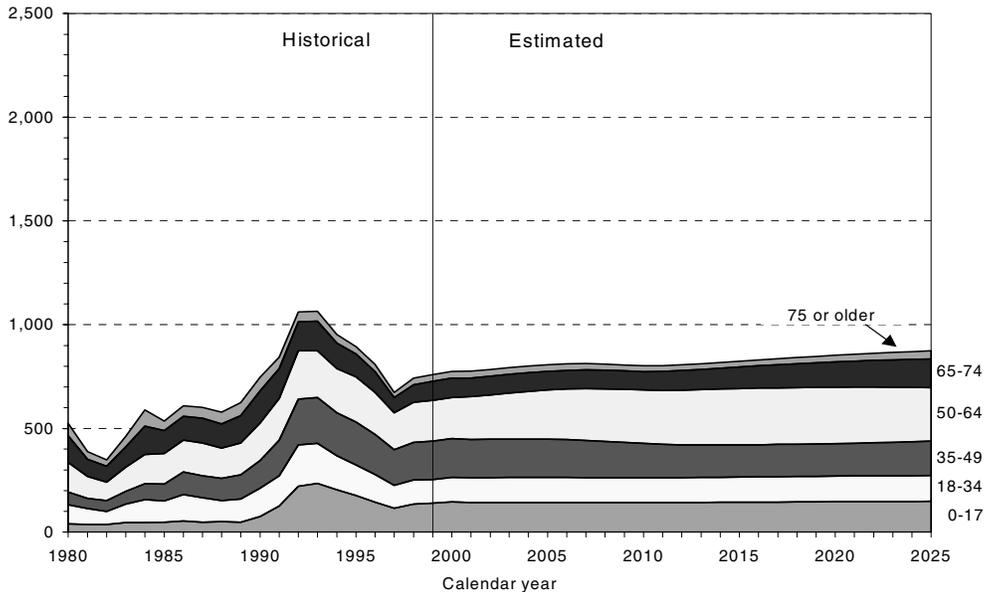
<sup>5</sup> Fewer than 500.

**Notes:**

1. Historical split among age groups is estimated.

2. Totals do not necessarily equal the sums of rounded components.

**Figure IV.B2.—SSI Federally-Administered New Entrants by Age Group, Calendar Years 1980-2025**  
[In thousands]



Some of the persons receiving SSI benefits in a year will be removed from current-payment status during the year because of death or the loss of SSI eligibility. The loss of eligibility can occur either as the result of an evaluation of the individual's nonmedical factors of eligibility, including income and resources, or due to a determination that he/she is no longer disabled as defined under the Social Security Act. For example, disabled children, upon attainment of age 18, lose eligibility if they do not qualify for benefits under the disabled adult eligibility criteria. For purposes of this presentation, we refer to the net reduction in the number of SSI recipients in payment status during a period as the number of SSI terminations for that period. As discussed previously, beginning with the 1999 Annual Report, we have separated these numbers of people moving out of payment status into those leaving due to death (table IV.B3), and those leaving for all other reasons (table IV.B4). Table IV.B5 and figure IV.B3 present historical and projected numbers of total terminations by calendar year.

Actual experience for terminations in 1999 was roughly in line with that anticipated in the 1999 Annual Report with the exception of terminations, for reasons other than death, among disabled recipients. The higher numbers of terminations among disabled SSI recipients are largely attributable to the unexpected effectiveness of continuing disability reviews being conducted for the first time among certain segments of the SSI recipient population. Some historical details on income and resource redeterminations and the results of continuing disability reviews are presented in section V.D. Section V.E presents information on certain incentive programs intended to encourage disabled SSI recipients to return to work.

**Table IV.B3.—SSI Federally-Administered Terminations Due to Death, Calendar Years 1974-2024**  
[In thousands]

Calendar year	Blind or disabled, by age group						Aged, by age group		Totals <sup>1</sup>		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
1975.....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	65	147	212
1976.....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	64	137	201
1977.....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	65	137	203
1978.....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	67	126	193
1979.....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	67	121	189
1980.....	3	5	9	31	22	1	27	100	71	127	198
1981.....	3	5	8	31	24	2	21	92	73	112	186
1982.....	3	4	8	28	21	2	16	80	65	96	161
1983.....	3	6	8	25	21	3	15	79	65	94	158
1984.....	3	4	9	29	18	5	13	83	67	96	163
1985.....	2	6	10	29	24	6	17	84	77	101	178
1986.....	2	8	12	28	22	8	15	83	80	98	178
1987.....	3	8	13	30	23	10	15	82	87	97	184
1988.....	5	8	14	31	25	12	16	81	95	97	191
1989.....	3	8	16	33	23	12	15	78	95	93	187
1990.....	4	9	18	36	22	14	16	75	103	92	194
1991.....	4	9	20	39	23	17	17	74	112	91	203
1992.....	4	11	22	38	22	15	16	69	111	84	195
1993.....	6	13	27	41	23	17	16	72	127	88	215
1994.....	6	14	27	41	23	17	16	69	127	85	212
1995.....	6	13	30	43	24	18	16	65	135	81	216
1996.....	7	12	30	44	24	18	16	67	135	83	218
1997.....	5	10	24	43	24	19	15	64	127	79	206
1998.....	5	9	24	43	25	20	14	64	127	78	205
1999.....	5	9	25	45	25	21	13	63	131	76	207
Estimated:											
2000.....	5	9	27	47	28	21	13	63	138	76	214
2001.....	5	9	28	48	28	21	13	62	139	75	214
2002.....	5	9	28	50	29	21	12	62	142	74	216
2003.....	6	9	28	51	29	21	12	62	145	73	218
2004.....	6	9	28	53	30	22	11	61	147	73	220
2005.....	6	9	28	55	30	22	11	61	150	72	222
2006.....	6	9	28	57	31	22	11	60	153	71	224
2007.....	6	9	28	59	32	22	11	60	156	71	227
2008.....	6	9	28	61	33	23	11	59	159	70	229
2009.....	6	9	27	63	33	23	11	59	161	69	231
2010.....	6	9	26	65	34	23	11	58	164	69	232
2011.....	6	9	26	66	35	23	11	57	166	68	234
2012.....	6	9	25	67	36	24	11	56	168	68	235
2013.....	6	9	25	67	38	24	11	56	170	67	237
2014.....	6	9	25	68	39	24	11	55	172	66	238
2015.....	6	10	24	68	40	25	12	54	173	66	239
2016.....	7	10	24	69	41	25	12	54	175	66	241
2017.....	7	10	24	69	42	26	12	53	177	65	243
2018.....	7	10	24	69	43	27	13	53	179	65	244
2019.....	7	10	24	69	45	27	13	52	181	65	246
2020.....	7	10	24	68	46	27	14	52	182	66	248
2021.....	7	10	24	68	47	28	14	52	184	66	250
2022.....	7	10	24	67	48	29	15	52	186	67	252
2023.....	7	10	24	67	49	30	15	53	187	68	255
2024.....	7	10	25	66	50	31	15	53	188	69	257

<sup>1</sup> Historical totals estimated based on 1-percent or 10-percent sample data.

<sup>2</sup> Data not available.

<sup>3</sup> Age-specific information for these years not yet available.

Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

**Table IV.B4.—SSI Federally-Administered Terminations Due to Reasons Other Than Death, Calendar Years 1974-2024**  
[In thousands]

Calendar year	Blind or disabled, by age group					Aged, by age group			Totals <sup>1</sup>		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
<b>Historical data:</b>											
1974 .....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
1975 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	221	180	401
1976 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	306	240	546
1977 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	265	168	433
1978 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	241	150	391
1979 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	234	144	378
1980 .....	19	48	43	80	23	1	44	77	214	121	334
1981 .....	17	43	39	72	21	1	49	86	192	134	326
1982 .....	19	48	43	79	23	1	50	87	212	137	348
1983 .....	18	43	36	63	14	1	25	61	175	86	261
1984 .....	13	51	37	77	21	1	37	60	200	98	298
1985 .....	11	42	37	68	13	2	23	54	172	77	249
1986 .....	18	49	47	73	16	3	34	60	206	94	300
1987 .....	19	51	48	75	17	3	32	57	214	89	302
1988 .....	19	52	51	74	15	5	33	59	216	93	309
1989 .....	19	55	52	72	16	4	33	58	218	91	308
1990 .....	14	52	57	73	17	8	40	68	221	108	330
1991 .....	20	50	70	84	18	5	33	58	248	91	339
1992 .....	39	68	94	103	19	8	34	56	329	90	419
1993 .....	34	73	97	106	22	8	37	55	340	92	433
1994 .....	41	73	101	107	18	8	32	49	348	81	429
1995 .....	47	81	111	115	20	7	32	48	382	80	461
1996 .....	47	89	128	119	21	8	29	49	413	78	491
1997 .....	128	105	147	115	18	8	24	40	522	64	586
1998 .....	67	89	112	110	19	8	22	38	406	61	466
1999 .....	119	111	120	116	20	9	24	43	495	68	563
<b>Estimated:</b>											
2000 .....	90	100	115	116	22	8	22	39	451	61	512
2001 .....	54	100	121	122	21	8	21	41	427	62	489
2002 .....	56	101	122	127	21	8	21	40	435	61	496
2003 .....	62	102	122	131	21	8	20	40	447	60	507
2004 .....	62	102	123	136	21	8	20	40	452	60	512
2005 .....	61	102	122	141	22	9	19	40	457	59	516
2006 .....	59	103	122	146	22	9	19	39	461	58	519
2007 .....	56	105	120	151	23	9	19	39	464	58	522
2008 .....	53	106	118	155	24	9	19	38	466	57	523
2009 .....	49	108	116	160	24	9	19	37	465	57	522
2010 .....	46	109	114	164	24	9	19	37	465	56	521
2011 .....	44	110	111	166	25	9	19	36	466	56	521
2012 .....	45	110	109	168	27	9	20	36	469	55	524
2013 .....	46	111	108	170	27	9	20	35	471	55	526
2014 .....	47	112	106	171	28	9	21	35	474	55	529
2015 .....	47	113	105	172	29	10	21	34	476	55	531
2016 .....	47	114	105	172	30	10	22	34	478	55	534
2017 .....	47	115	105	172	31	10	22	33	481	56	536
2018 .....	48	117	105	172	31	10	23	33	483	56	539
2019 .....	48	118	105	171	32	10	24	33	484	57	541
2020 .....	48	119	104	170	33	11	25	33	486	58	543
2021 .....	48	120	105	169	34	11	25	33	487	59	545
2022 .....	48	121	105	167	35	11	26	34	488	60	548
2023 .....	48	122	107	165	36	12	27	34	489	61	550
2024 .....	48	122	108	163	36	12	27	35	489	62	552

<sup>1</sup> Historical totals estimated based on 1-percent or 10-percent sample data.

<sup>2</sup> Data not available.

<sup>3</sup> Age-specific information for these years not yet available.

Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

**Table IV.B5.—SSI Federally-Administered Terminations for All Reasons, Calendar Years 1974-2024**  
[In thousands]

Calendar year	Blind or disabled, by age group					Aged, by age group			Totals <sup>1</sup>		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974 .....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
1975 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	287	326	613
1976 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	371	377	748
1977 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	330	305	636
1978 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	308	276	584
1979 .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	301	265	566
1980 .....	22	53	52	111	45	2	70	177	284	248	532
1981 .....	20	48	47	103	45	3	69	177	266	246	512
1982 .....	21	52	51	107	43	2	65	168	277	233	510
1983 .....	21	49	44	87	34	4	39	140	240	180	419
1984 .....	16	55	46	106	39	6	50	144	267	194	461
1985 .....	13	47	47	97	37	8	40	138	249	178	427
1986 .....	21	58	59	101	38	11	48	143	287	192	478
1987 .....	22	59	61	106	40	13	47	138	301	185	486
1988 .....	24	60	65	105	39	18	49	140	311	189	500
1989 .....	22	63	69	105	39	15	47	136	312	183	496
1990 .....	18	61	75	109	39	22	56	144	324	200	524
1991 .....	25	60	90	123	40	22	50	132	360	182	542
1992 .....	42	78	115	140	41	23	50	125	440	175	614
1993 .....	40	86	124	148	45	24	54	127	467	181	648
1994 .....	47	87	128	148	41	24	48	118	475	166	642
1995 .....	54	94	142	158	44	25	47	113	517	160	677
1996 .....	54	101	158	163	45	27	45	116	548	161	710
1997 .....	133	116	172	159	43	26	39	105	648	143	792
1998 .....	73	98	136	153	44	29	36	102	533	138	671
1999 .....	124	120	146	161	45	31	38	106	626	144	770
Estimated:											
2000 .....	95	109	143	164	49	29	35	102	589	137	726
2001 .....	59	109	149	170	49	29	34	103	566	137	703
2002 .....	62	110	150	176	49	29	33	102	577	135	712
2003 .....	68	111	151	182	50	30	32	102	591	134	725
2004 .....	68	111	151	189	51	30	31	101	600	132	732
2005 .....	67	111	151	196	52	31	30	100	607	131	738
2006 .....	65	112	150	203	53	31	30	99	614	130	744
2007 .....	62	114	148	210	55	31	30	98	620	128	748
2008 .....	59	115	146	216	56	31	30	97	624	127	752
2009 .....	55	117	143	222	58	32	30	96	627	126	753
2010 .....	52	118	140	228	58	32	30	95	629	125	754
2011 .....	50	119	137	232	60	32	30	93	631	124	755
2012 .....	52	120	135	234	63	33	31	92	637	123	759
2013 .....	53	121	133	237	65	33	31	91	641	122	763
2014 .....	53	121	131	239	67	34	32	90	645	121	767
2015 .....	54	122	130	240	69	35	33	88	649	121	770
2016 .....	54	124	129	241	71	35	34	87	654	121	774
2017 .....	54	125	129	241	73	36	35	86	658	121	779
2018 .....	54	126	129	240	75	37	36	86	662	122	783
2019 .....	54	128	128	240	77	37	37	85	665	122	787
2020 .....	55	129	128	239	80	38	39	85	668	123	791
2021 .....	55	130	128	237	82	39	40	85	671	125	796
2022 .....	55	131	129	235	83	40	41	86	673	127	800
2023 .....	55	132	131	232	85	42	42	87	676	129	805
2024 .....	55	132	133	229	86	43	43	88	678	131	809

<sup>1</sup> Historical totals estimated based on 1-percent or 10-percent sample data.

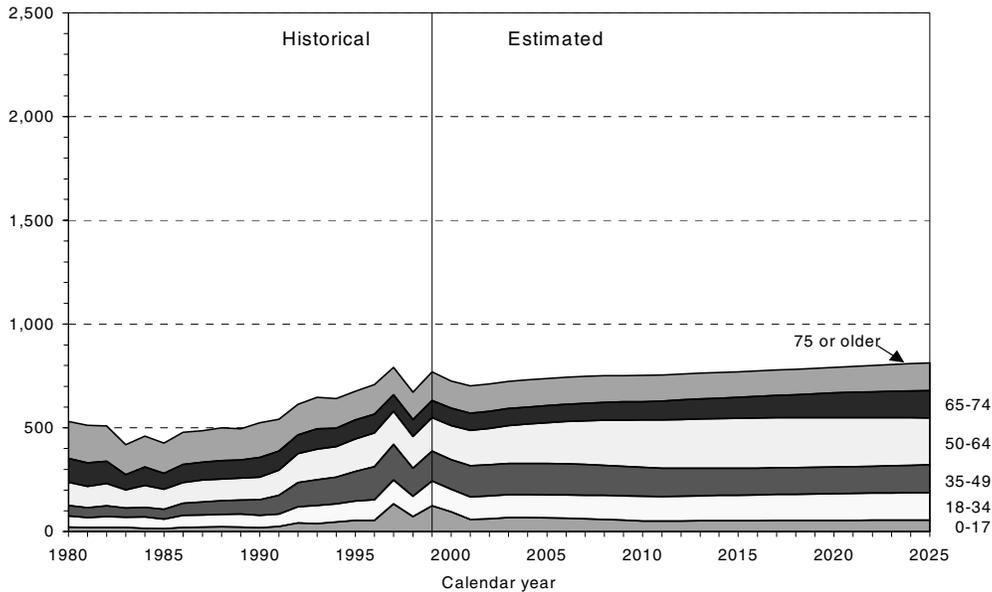
<sup>2</sup> Data not available.

<sup>3</sup> Age-specific information for these years not yet available.

Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

**Figure IV.B3.—SSI Federally-Administered Terminations by Age Group, Calendar Years 1980-2025**  
[In thousands]



Combining the number of persons coming on the SSI payment rolls during a year with the number of those already receiving benefits at the beginning of the year, and subtracting the number leaving the rolls during the year, yields the number of persons receiving Federally-administered SSI payments at the end of the specified period. Individuals receiving Federal SSI payments, who comprise the great majority of Federally-administered recipients, are presented in table IV.B6 and in figure IV.B4. The net effect of actual experience in 1999 was that there were roughly 1.3 percent fewer Federal SSI recipients at the end of 1999 than estimated for the 1999 Annual Report.

**Table IV.B6.—SSI Recipients with Federal Benefits in Current-Payment Status as of December, 1974-2024**  
[In thousands]

Year	Blind or disabled, by age group					Aged, by age group		Totals			
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
1975.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,869	2,025	3,893
1976.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,932	1,867	3,799
1977.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,013	1,765	3,778
1978.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,069	1,686	3,755
1979.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,094	1,593	3,687
1980.....	188	500	351	750	342	17	609	925	2,149	1,533	3,682
1981.....	194	514	349	720	366	17	541	888	2,160	1,430	3,590
1982.....	191	517	346	683	386	21	459	871	2,144	1,329	3,473
1983.....	198	555	366	692	412	28	449	890	2,250	1,339	3,590
1984.....	210	595	393	700	406	48	463	884	2,352	1,347	3,699
1985.....	226	634	426	717	402	72	462	860	2,477	1,322	3,799
1986.....	240	688	475	739	397	91	465	827	2,630	1,291	3,922
1987.....	249	717	524	756	392	113	464	804	2,751	1,268	4,019
1988.....	254	738	564	774	387	127	468	777	2,844	1,245	4,089
1989.....	263	757	613	799	382	145	488	760	2,959	1,247	4,206
1990.....	306	788	677	840	389	156	508	749	3,156	1,257	4,412
1991.....	395	833	769	897	390	166	542	736	3,451	1,279	4,730
1992.....	555	920	877	970	402	173	577	727	3,898	1,304	5,202
1993.....	721	990	979	1,034	410	179	604	720	4,312	1,324	5,636
1994.....	839	1,032	1,071	1,089	425	182	610	716	4,638	1,326	5,965
1995.....	915	1,058	1,150	1,134	435	188	601	713	4,880	1,315	6,194
1996.....	954	1,066	1,198	1,176	444	192	586	711	5,029	1,296	6,326
1997.....	878	1,039	1,196	1,198	457	193	547	704	4,960	1,251	6,212
1998.....	885	1,038	1,238	1,243	464	197	521	705	5,063	1,226	6,289
1999.....	845	1,005	1,274	1,278	474	195	499	704	5,072	1,203	6,275

**Table IV.B6.—SSI Recipients with Federal Benefits in Current-Payment Status as of December, 1974-2024 (Cont.)**

[In thousands]

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Estimated:											
2000.....	840	995	1,304	1,314	483	197	483	702	5,132	1,186	6,318
2001.....	870	989	1,321	1,354	490	198	466	702	5,222	1,168	6,389
2002.....	895	986	1,330	1,399	497	201	451	701	5,309	1,151	6,460
2003.....	911	987	1,336	1,444	508	204	438	699	5,391	1,137	6,527
2004.....	926	986	1,340	1,496	516	207	427	695	5,472	1,122	6,595
2005.....	940	987	1,342	1,551	525	211	417	690	5,554	1,108	6,662
2006.....	953	991	1,336	1,607	536	212	414	680	5,635	1,094	6,729
2007.....	966	999	1,322	1,658	551	214	413	668	5,710	1,081	6,791
2008.....	980	1,010	1,302	1,706	568	214	413	655	5,781	1,067	6,848
2009.....	997	1,020	1,279	1,755	579	216	412	642	5,846	1,053	6,900
2010.....	1,017	1,028	1,254	1,802	586	220	411	629	5,907	1,040	6,947
2011.....	1,039	1,035	1,230	1,832	605	222	414	616	5,963	1,030	6,993
2012.....	1,058	1,041	1,209	1,850	632	226	420	603	6,015	1,023	7,038
2013.....	1,076	1,047	1,191	1,870	653	230	426	592	6,066	1,019	7,085
2014.....	1,092	1,054	1,175	1,887	673	234	436	582	6,116	1,018	7,134
2015.....	1,107	1,062	1,165	1,899	693	238	448	573	6,164	1,022	7,186
2016.....	1,119	1,071	1,161	1,904	713	243	462	567	6,211	1,029	7,240
2017.....	1,129	1,080	1,160	1,903	733	249	474	565	6,254	1,040	7,294
2018.....	1,139	1,091	1,159	1,900	753	255	488	566	6,296	1,054	7,350
2019.....	1,149	1,101	1,157	1,895	775	259	506	565	6,335	1,071	7,406
2020.....	1,158	1,110	1,155	1,889	799	262	526	565	6,373	1,091	7,464
2021.....	1,166	1,119	1,157	1,878	819	270	541	573	6,408	1,114	7,522
2022.....	1,174	1,127	1,165	1,858	835	281	552	587	6,440	1,140	7,580
2023.....	1,181	1,134	1,178	1,835	852	290	567	600	6,471	1,167	7,638
2024.....	1,188	1,140	1,193	1,811	868	299	582	615	6,498	1,197	7,695

<sup>1</sup> Data not available.

<sup>2</sup> Age-specific information for these years not yet available.

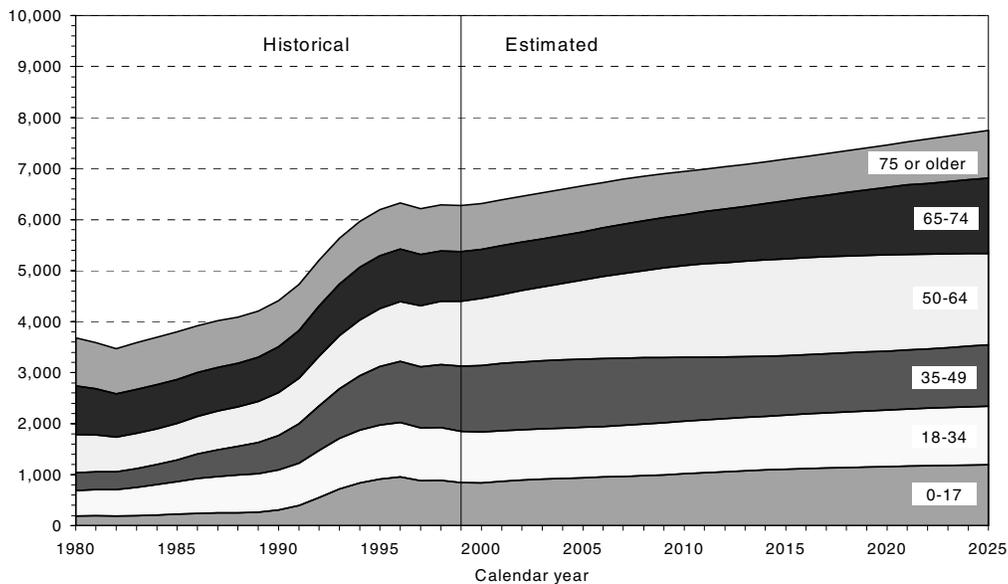
Notes:

1. Historical split among age groups is estimated.

2. Totals do not necessarily equal the sums of rounded components.

**Figure IV.B4.—SSI Recipients with Federal Benefits in Current-Payment Status, by Age Group, as of December, 1980-2025**

[In thousands]



As illustrated in figure IV.B4, the implementation of Public Law 104-121 and Public Law 104-193 resulted in a decline in the Federal recipient population from 1996 to 1997. From the end of 1997 through the end of 1999, the Federal SSI recipient population grew at an annual rate of less than 1 percent. Our forecasts indicate that this modest growth rate is expected to continue throughout the remainder of the 25-year projection period. In order to place this projected growth in the context of overall population growth, table IV.B7 and figure IV.B5 present Federal SSI recipients as percentages of selected Social Security Area population totals. For the totals shown in this presentation, the percentages are calculated using the population age group totals corresponding to the age groups in the Federal recipient categories. Because the ratios for the separate recipient categories are computed as percentages of differing base populations, the percentage for the total SSI recipient population is not the arithmetic sum of the percentages for the respective recipient categories.

**Table IV.B7.—SSI Recipients with Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Totals, as of December, 1975-2024**

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled <sup>1</sup>	Aged <sup>2</sup>	All <sup>3</sup>
Historical data:											
1975.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	0.83	8.62	1.73
1976.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	.85	7.76	1.67
1977.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	.88	7.16	1.65
1978.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	.89	6.68	1.62
1979.....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	.90	6.17	1.58
1980.....	0.29	0.70	0.91	2.19	2.16	0.17	3.84	8.78	.91	5.82	1.56
1981.....	.30	.72	.87	2.10	2.27	.16	3.36	8.20	.91	5.31	1.50
1982.....	.29	.71	.83	1.99	2.35	.19	2.80	7.79	.89	4.82	1.44
1983.....	.30	.76	.85	2.03	2.47	.24	2.70	7.75	.92	4.76	1.47
1984.....	.32	.81	.88	2.06	2.40	.40	2.74	7.49	.96	4.69	1.50
1985.....	.34	.87	.92	2.11	2.33	.59	2.68	7.11	1.00	4.51	1.53
1986.....	.36	.94	1.00	2.20	2.26	.74	2.64	6.67	1.05	4.31	1.56
1987.....	.38	.98	1.06	2.25	2.20	.89	2.60	6.33	1.09	4.15	1.59
1988.....	.38	1.00	1.10	2.30	2.14	.98	2.59	5.97	1.11	4.00	1.60
1989.....	.39	1.03	1.16	2.38	2.08	1.08	2.66	5.70	1.14	3.94	1.63
1990.....	.45	1.09	1.24	2.49	2.10	1.13	2.74	5.46	1.21	3.90	1.69
1991.....	.57	1.16	1.36	2.63	2.09	1.18	2.90	5.23	1.31	3.91	1.79
1992.....	.79	1.30	1.51	2.81	2.13	1.20	3.06	5.04	1.46	3.92	1.95
1993.....	1.02	1.41	1.64	2.94	2.16	1.21	3.19	4.88	1.60	3.93	2.09
1994.....	1.17	1.49	1.75	3.05	2.23	1.21	3.20	4.76	1.71	3.89	2.20
1995.....	1.27	1.55	1.83	3.13	2.29	1.22	3.16	4.64	1.78	3.82	2.26
1996.....	1.31	1.57	1.87	3.15	2.34	1.22	3.09	4.52	1.82	3.74	2.29
1997.....	1.20	1.54	1.84	3.08	2.43	1.20	2.91	4.38	1.78	3.59	2.22
1998.....	1.21	1.55	1.88	3.08	2.48	1.20	2.79	4.30	1.80	3.50	2.23
1999.....	1.15	1.51	1.91	3.05	2.55	1.16	2.69	4.19	1.79	3.40	2.21
Estimated:											
2000.....	1.14	1.49	1.94	3.03	2.61	1.15	2.61	4.12	1.79	3.33	2.21
2001.....	1.18	1.48	1.96	3.01	2.65	1.15	2.52	4.07	1.81	3.27	2.21
2002.....	1.21	1.47	1.97	3.00	2.69	1.15	2.44	4.01	1.82	3.20	2.22
2003.....	1.23	1.46	1.99	2.99	2.73	1.15	2.36	3.95	1.84	3.13	2.22
2004.....	1.24	1.46	2.00	2.99	2.76	1.16	2.28	3.89	1.85	3.07	2.23
2005.....	1.26	1.45	2.00	2.99	2.78	1.17	2.21	3.83	1.86	3.00	2.23
2006.....	1.28	1.45	2.01	2.99	2.79	1.17	2.15	3.76	1.88	2.93	2.24
2007.....	1.30	1.45	2.00	3.00	2.78	1.18	2.08	3.68	1.89	2.85	2.24
2008.....	1.32	1.44	2.00	3.00	2.76	1.18	2.01	3.61	1.89	2.76	2.24
2009.....	1.34	1.44	1.99	3.00	2.74	1.19	1.94	3.53	1.90	2.68	2.24
2010.....	1.37	1.43	1.98	2.99	2.70	1.20	1.89	3.45	1.91	2.60	2.24
2011.....	1.40	1.42	1.96	2.98	2.67	1.21	1.83	3.36	1.91	2.51	2.24
2012.....	1.42	1.42	1.95	2.96	2.64	1.23	1.76	3.27	1.91	2.42	2.24
2013.....	1.44	1.42	1.94	2.96	2.61	1.24	1.70	3.19	1.92	2.34	2.24
2014.....	1.46	1.42	1.92	2.95	2.58	1.25	1.67	3.10	1.92	2.27	2.24
2015.....	1.48	1.43	1.91	2.94	2.55	1.26	1.65	3.02	1.92	2.21	2.24
2016.....	1.49	1.43	1.89	2.94	2.52	1.26	1.63	2.94	1.92	2.16	2.24
2017.....	1.50	1.44	1.88	2.94	2.50	1.26	1.62	2.86	1.92	2.12	2.24
2018.....	1.51	1.45	1.87	2.93	2.49	1.26	1.61	2.79	1.92	2.09	2.24
2019.....	1.52	1.46	1.87	2.93	2.47	1.25	1.61	2.72	1.92	2.05	2.24
2020.....	1.52	1.47	1.86	2.92	2.45	1.24	1.62	2.66	1.92	2.03	2.25
2021.....	1.53	1.48	1.85	2.92	2.44	1.23	1.62	2.60	1.92	2.01	2.25
2022.....	1.53	1.49	1.85	2.92	2.44	1.22	1.61	2.55	1.92	1.99	2.25
2023.....	1.54	1.50	1.85	2.92	2.43	1.21	1.62	2.51	1.91	1.98	2.26
2024.....	1.54	1.51	1.85	2.91	2.42	1.20	1.62	2.47	1.91	1.97	2.26

<sup>1</sup> Blind or disabled recipients as a percentage of the total Social Security Area population.

<sup>2</sup> Aged recipients as a percentage of the 65 or older Social Security Area population.

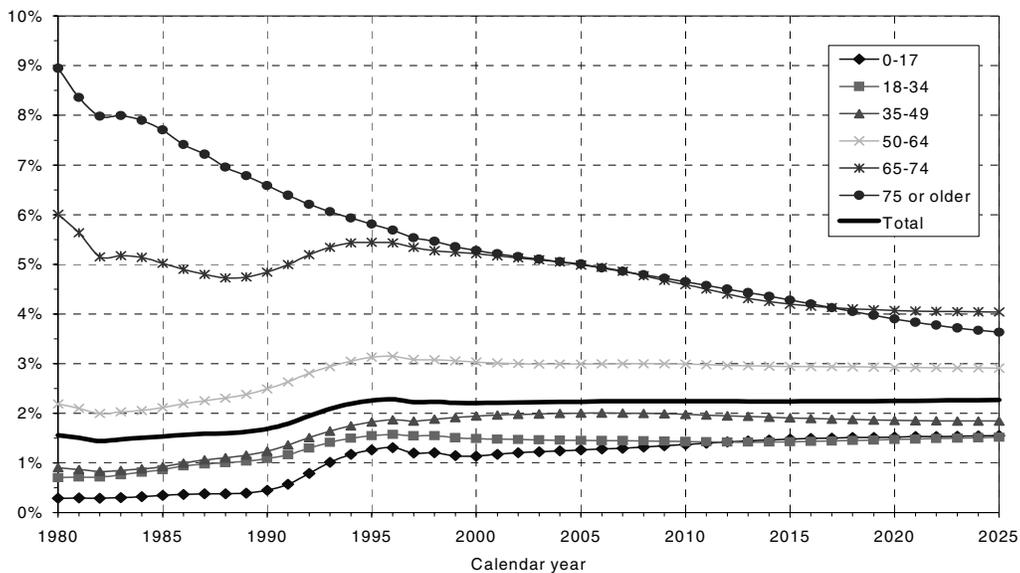
<sup>3</sup> Total recipients as a percentage of the total Social Security Area population. Totals do not equal sums of components due to overlapping populations.

<sup>4</sup> Age-specific information for these years not yet available.

Table IV.B7 indicates that the percentage of the total Social Security Area population who were receiving Federal SSI payments declined from the inception of the program through the early 1980s. In 1983, this percentage started increasing and continued to increase through 1996. Due to factors described previously, the percentage of the total population receiving Federal SSI payments declined in 1997, but has leveled out since and is expected to remain fairly constant throughout the projection period.

The various subcategories of Federal SSI recipients, however, follow significantly different growth patterns in relationship to their respective population totals. The aged Federal SSI recipient population declines steadily as a percentage of the 65 or older population. In contrast, except for recent decreases due to the eligibility redeterminations and continuing disability reviews mandated by Public Law 104-193, the number of blind or disabled children receiving Federal SSI payments increased steadily as a percentage of the under age 18 population, with the increase being quite steep in the early 1990s. The total blind or disabled Federal SSI recipient population as a percentage of the total population remained fairly level until the early 1980s when it started increasing and continued to increase through 1996. After the recent modest decreases due to the implementation of legislation described in other sections the number of blind or disabled persons receiving Federal SSI payments is estimated to increase very gradually as a percentage of the total population.

**Figure IV.B5.—SSI Recipients with Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Age Groups, as of December, 1980-2025**



Historical and projected numbers of individuals who receive only a Federally-administered State supplement are presented in table IV.B8.

**Table IV.B8.—SSI Recipients with Federally-Administered State Supplementary Benefits Only,  
in Current-Payment Status as of December, 1974-2024**

[In thousands]

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
1975.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	139	282	421
1976.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	156	280	437
1977.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	174	286	460
1978.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	180	282	462
1979.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	184	278	462
1980.....	2	20	26	82	52	2	112	162	185	274	460
1981.....	1	19	26	75	58	2	94	155	181	248	429
1982.....	1	18	23	68	53	2	82	137	165	219	384
1983.....	1	17	19	50	44	4	65	111	136	176	312
1984.....	1	18	23	50	47	7	68	116	147	184	331
1985.....	1	21	28	53	45	8	67	115	157	182	339
1986.....	1	23	31	55	45	11	66	116	166	182	348
1987.....	1	26	36	60	43	12	72	115	178	187	366
1988.....	1	26	42	59	44	14	74	114	187	188	375
1989.....	2	28	45	60	45	16	76	115	195	192	387
1990.....	2	31	54	60	44	17	82	116	208	197	405
1991.....	2	29	54	59	42	17	78	108	203	186	389
1992.....	2	29	55	59	37	16	70	97	197	167	364
1993.....	2	29	58	59	34	15	64	88	197	151	348
1994.....	2	28	59	56	32	14	59	81	192	139	331
1995.....	3	25	59	56	32	14	54	77	188	131	320
1996.....	2	21	54	53	29	13	49	68	172	116	288
1997.....	2	20	55	53	29	13	46	65	172	111	283
1998.....	2	18	54	55	28	13	43	63	171	106	277
1999.....	2	18	57	58	28	13	43	62	177	105	282
Estimated:											
2000.....	2	19	58	62	29	13	43	61	184	105	288
2001.....	2	19	58	65	30	13	43	61	187	104	291
2002.....	2	19	58	68	30	12	42	61	191	102	293
2003.....	2	19	59	71	31	12	41	61	194	101	296
2004.....	2	19	59	74	32	13	40	60	198	100	298
2005.....	2	19	59	76	32	13	39	60	201	99	300
2006.....	2	19	58	79	33	13	39	59	204	98	302
2007.....	2	19	58	82	34	13	39	58	208	97	305
2008.....	2	19	57	85	35	13	39	56	211	96	307
2009.....	2	19	56	87	36	13	39	55	214	95	308
2010.....	3	19	55	90	37	13	39	54	217	93	310
2011.....	3	19	54	92	38	13	40	53	219	93	312
2012.....	3	19	53	93	40	13	41	52	221	93	314
2013.....	3	19	52	94	41	14	41	51	224	93	316
2014.....	3	20	51	95	43	14	42	51	225	93	319
2015.....	3	20	51	96	44	14	44	50	227	94	321
2016.....	3	20	51	96	45	14	45	50	229	95	324
2017.....	3	20	50	96	47	15	47	50	231	97	327
2018.....	3	20	50	96	48	15	48	50	232	98	331
2019.....	3	20	50	96	49	15	50	51	234	100	334
2020.....	3	20	50	96	51	15	52	51	236	103	338
2021.....	3	21	50	95	52	16	53	52	237	105	342
2022.....	3	21	50	94	53	17	54	53	238	108	346
2023.....	3	21	51	93	54	17	56	55	240	111	350
2024.....	3	21	52	92	55	18	57	56	241	114	354

<sup>1</sup> Data not available.<sup>2</sup> Age-specific information for these years not yet available.

## Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

The combined numbers of persons receiving either a Federal SSI payment or a Federally-administered State supplement are displayed in table IV.B9.

In examining the recent history of SSI participation and the projections of such participation in the near future, certain patterns are worth noting. The rapid increase in the total number of SSI participants in the early 1990s is a function of the growth in the numbers of disabled adults and children. The growth in the numbers of children receiving SSI resulted in large part from the Supreme Court decision in the case of

Sullivan v. Zebley, which greatly expanded the criteria used for determining disability for children. The growth in the numbers of disabled adults is a more complicated phenomenon which is still not completely understood. However, extensive research conducted under contract to SSA and the Department of Health and Human Services suggested that this growth was the result of a combination of factors including (1) demographic trends, (2) a downturn in the economy in the late 1980s and early 1990s, (3) long-term structural changes in the economy, and (4) changes in other support programs (in particular the reduction or elimination of general assistance programs in certain States). The recent modest decline in program participation reflects the combined effects of recent legislation described in previous sections, along with changes in some of the factors mentioned above.

**Table IV.B9.—SSI Recipients with Federally-Administered Benefits in Current-Payment Status as of December, 1974-2024**

[In thousands]

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	1,710	2,286	3,996
1975.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	2,007	2,307	4,314
1976.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	2,088	2,148	4,236
1977.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	2,187	2,051	4,238
1978.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	2,249	1,968	4,217
1979.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	2,278	1,872	4,150
1980.....	190	521	377	833	393	20	721	1,086	2,334	1,808	4,142
1981.....	195	533	375	795	424	19	635	1,043	2,341	1,678	4,019
1982.....	192	535	369	751	439	23	541	1,008	2,309	1,549	3,858
1983.....	198	572	386	742	456	32	514	1,001	2,386	1,515	3,901
1984.....	212	613	417	751	453	54	531	999	2,499	1,530	4,029
1985.....	227	655	454	769	447	80	530	975	2,634	1,504	4,138
1986.....	241	711	506	794	442	102	531	942	2,796	1,473	4,269
1987.....	251	743	560	816	436	124	536	920	2,930	1,455	4,385
1988.....	255	764	606	833	431	142	543	891	3,030	1,433	4,464
1989.....	265	785	658	859	427	160	564	875	3,154	1,439	4,593
1990.....	309	819	731	900	432	172	589	865	3,363	1,454	4,817
1991.....	397	863	823	956	432	183	620	845	3,654	1,465	5,118
1992.....	556	949	932	1,029	440	189	647	824	4,095	1,471	5,566
1993.....	723	1,019	1,036	1,093	445	194	667	808	4,509	1,475	5,984
1994.....	841	1,060	1,130	1,146	457	196	669	797	4,830	1,466	6,296
1995.....	917	1,083	1,209	1,190	467	202	656	790	5,068	1,446	6,514
1996.....	955	1,087	1,252	1,229	472	205	634	778	5,201	1,413	6,614
1997.....	880	1,059	1,251	1,252	486	205	593	770	5,133	1,362	6,495
1998.....	887	1,056	1,292	1,298	492	209	564	768	5,234	1,332	6,566
1999.....	847	1,024	1,331	1,336	503	208	543	765	5,249	1,308	6,557
Estimated:											
2000.....	842	1,014	1,362	1,376	512	209	527	764	5,316	1,291	6,606
2001.....	872	1,008	1,379	1,420	520	210	509	763	5,409	1,271	6,680
2002.....	898	1,006	1,388	1,467	528	213	492	761	5,500	1,254	6,754
2003.....	914	1,006	1,395	1,515	539	216	478	760	5,585	1,238	6,823
2004.....	929	1,005	1,399	1,570	548	219	467	755	5,670	1,222	6,892
2005.....	943	1,005	1,400	1,627	557	223	457	750	5,755	1,207	6,962
2006.....	956	1,009	1,395	1,686	569	224	453	739	5,839	1,192	7,031
2007.....	968	1,018	1,379	1,740	586	226	452	726	5,918	1,177	7,095
2008.....	983	1,029	1,359	1,791	603	227	452	711	5,992	1,163	7,155
2009.....	1,000	1,039	1,335	1,842	616	229	451	697	6,060	1,148	7,208
2010.....	1,020	1,048	1,309	1,892	623	233	450	684	6,124	1,133	7,257
2011.....	1,041	1,054	1,284	1,924	643	235	454	669	6,182	1,123	7,305
2012.....	1,060	1,060	1,262	1,944	672	239	460	655	6,237	1,116	7,352
2013.....	1,078	1,066	1,243	1,965	694	244	467	644	6,290	1,111	7,401
2014.....	1,095	1,074	1,226	1,983	716	248	478	633	6,342	1,111	7,453
2015.....	1,110	1,081	1,216	1,995	737	253	492	624	6,392	1,116	7,507
2016.....	1,122	1,091	1,211	2,000	759	257	507	617	6,440	1,124	7,564
2017.....	1,132	1,100	1,210	2,000	779	263	521	615	6,485	1,136	7,621
2018.....	1,142	1,111	1,209	1,996	800	270	536	616	6,528	1,152	7,680
2019.....	1,151	1,121	1,207	1,991	824	274	555	616	6,569	1,171	7,740
2020.....	1,160	1,130	1,205	1,985	850	278	578	615	6,608	1,194	7,802
2021.....	1,169	1,139	1,207	1,973	871	286	595	625	6,645	1,219	7,864
2022.....	1,177	1,148	1,215	1,953	888	298	607	641	6,679	1,248	7,926
2023.....	1,184	1,155	1,229	1,929	906	307	623	655	6,710	1,278	7,988
2024.....	1,191	1,161	1,245	1,903	923	316	639	671	6,739	1,311	8,050

<sup>1</sup> Age-specific information for these years not yet available.

Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

### C. FEDERAL PAYMENTS UNDER SSI

In order to estimate future amounts of Federal expenditures under SSI, the projected Federal benefit rates shown in table IV.A2 are first modified to reflect actual payment levels, taking into account historical and projected levels of adjustments for other actual or deemed income. Combining these actual payment levels with the projected numbers of persons receiving Federal SSI payments yields estimates of the amounts of Federal SSI payments. Historical amounts of such payments on a calendar year basis are shown in table IV.C1. For purposes of this presentation, these payment amounts are computed on a cash-flow basis consistent with the concepts used to define SSI obligations for the Federal Budget. As a result, for months after January 1978, SSI payments due on the first of the month are tabulated in the previous month, if the first of the month falls on a weekend or Federal holiday.<sup>1</sup>

**Table IV.C1.—SSI Federal Payments in Current Dollars, <sup>1</sup> Calendar Years 1974-2000**

[In millions]

Calendar year	Blind or disabled, by age group					Aged, by age group		Totals			
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
1974.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	\$2,050	\$1,783	\$3,833
1975.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,471	1,843	4,314
1976.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,727	1,785	4,512
1977.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,966	1,737	4,703
1978 <sup>3</sup> .....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	3,449	1,847	5,296
1979.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	3,546	1,760	5,306
1980.....	\$397	\$931	\$731	\$1,420	\$544	\$28	\$642	\$1,230	4,051	1,872	5,923
1981.....	458	1,079	821	1,542	654	32	643	1,320	4,586	1,963	6,549
1982.....	512	1,211	883	1,590	704	38	630	1,364	4,937	1,994	6,931
1983.....	574	1,372	985	1,704	774	58	624	1,440	5,466	2,064	7,530
1984.....	659	1,576	1,128	1,835	836	102	670	1,512	6,136	2,182	8,318
1985.....	736	1,709	1,250	1,924	833	160	699	1,499	6,611	2,198	8,809
1986.....	831	1,929	1,452	2,043	848	209	731	1,479	7,312	2,210	9,522
1987.....	900	2,081	1,618	2,157	846	259	765	1,444	7,860	2,210	10,069
1988.....	955	2,228	1,818	2,303	874	304	814	1,449	8,481	2,263	10,744
1989.....	1,025	2,431	2,048	2,481	936	366	881	1,479	9,286	2,361	11,647
1990.....	1,201	2,660	2,395	2,792	969	407	987	1,532	10,423	2,519	12,943
1991.....	1,678	3,129	2,966	3,305	1,060	463	1,169	1,637	12,601	2,806	15,407
1992.....	3,154	3,900	3,577	3,790	1,124	487	1,303	1,690	16,033	2,993	19,026
1993.....	3,909	4,465	4,164	4,188	1,208	513	1,471	1,759	18,447	3,230	21,677
1994.....	4,167	4,504	4,666	4,533	1,274	538	1,566	1,814	19,682	3,380	23,063
1995.....	4,657	4,777	5,155	4,896	1,357	565	1,599	1,900	21,407	3,499	24,906
1996.....	4,947	5,004	5,614	5,298	1,427	590	1,643	1,977	22,880	3,621	26,501
1997.....	4,920	5,031	5,564	5,410	1,505	614	1,586	2,046	23,044	3,632	26,675
1998.....	4,965	5,150	5,901	5,777	1,588	635	1,542	2,136	24,017	3,678	27,695
1999.....	4,835	5,132	6,185	6,037	1,660	654	1,503	2,206	24,503	3,709	28,212
2000 <sup>4</sup> .....	4,936	5,243	6,531	6,461	1,740	675	1,487	2,306	25,586	3,793	29,379

<sup>1</sup> Total historical payments for 1974-77 agree with those presented in the *Annual Statistical Supplement to the Social Security Bulletin*. Total historical payments for 1978-83 are estimated.

<sup>2</sup> Age-specific information for these years not yet available.

<sup>3</sup> Includes 13 months of payments since payments due on January 1, 1978 and January 1, 1979 were both paid in calendar year 1978.

<sup>4</sup> Partially estimated.

Notes:

1. Historical split among age groups is estimated.

2. Totals do not necessarily equal the sums of rounded components.

Using this cash-flow concept causes these payments to differ from similar amounts shown in other Social Security Administration publications, such as the *Annual Statistical Supplement to the Social Security Bulletin*, in two main ways. First, the payments shown in the *Annual Statistical Supplement* are tabulated for the month the payment is due, while the amounts shown in table IV.C1 are tabulated for the month they are actually paid. In particular, since January 1 of each year is a Federal holiday, SSI payments due on January 1 of years 1979 and later are actually paid in December of the previous year. Thus, for example, the calendar year 1999 payment amounts shown in table IV.C1 reflect payments made in January-December

<sup>1</sup> Public Law 95-216, the Social Security Amendments of 1977, enacted December 20, 1977, added a statutory requirement that SSI payments, which are normally due on the first of the month, be delivered early when the normal delivery date falls on a Saturday, Sunday or Federal holiday. When the first of the month falls on a weekend or Federal holiday, all payments due on that day are paid in the previous month. Payments presented on a cash-flow basis are tabulated according to the month in which they are actually paid.

ber, 1999, and include the payments due on January 1, 2000 (which were actually paid in December, 1999), but not the payments due on January 1, 1999 (which were actually paid in December, 1998). Second, beginning in 1991, SSI obligations as accounted for in the Federal Budget are not reduced for certain recovered overpayments which are remitted directly to the Department of the Treasury. The payments shown in the *Annual Statistical Supplement* continue to report an amount which is reduced by such overpayment recoveries as was done for the Budget prior to 1991.

Corresponding amounts of SSI outlays on a fiscal year<sup>1</sup> basis are presented in table IV.C2 for fiscal years 1978-2000. Fiscal years prior to 1978 are omitted from table IV.C2 since historical SSI payment amounts on a fiscal year basis for years prior to 1978 are not readily available. As with the calendar year figures, these fiscal year amounts are shown on a cash-flow basis. Consequently, fiscal years 1979 and later may contain 11, 12, or 13 months of payments, depending on whether October 1 of the current and succeeding fiscal years falls on a weekend.<sup>2</sup> Fiscal year 1978 contains 13 months of payments.

**Table IV.C2.—SSI Federal Payments in Current Dollars, Fiscal Years 1978-2000**

[In millions]

Fiscal year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
1978.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	\$3,386	\$1,848	\$5,234
1979 <sup>2</sup> .....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	3,172	1,610	4,782
1980.....	\$372	\$877	\$698	\$1,360	\$506	\$26	\$629	\$1,184	3,840	1,813	5,653
1981.....	442	1,039	797	1,508	625	31	647	1,307	4,442	1,954	6,396
1982.....	499	1,181	861	1,570	693	36	640	1,356	4,840	1,996	6,836
1983.....	596	1,416	1,024	1,783	806	56	660	1,510	5,680	2,170	7,850
1984 <sup>2</sup> .....	588	1,411	1,005	1,665	760	85	613	1,391	5,514	2,004	7,517
1985.....	713	1,662	1,215	1,895	828	145	691	1,502	6,459	2,193	8,652
1986.....	800	1,864	1,386	1,995	840	196	723	1,487	7,080	2,209	9,290
1987.....	880	2,030	1,565	2,119	845	242	755	1,448	7,681	2,203	9,884
1988.....	1,009	2,356	1,898	2,425	932	316	860	1,559	8,935	2,419	11,354
1989 <sup>2</sup> .....	1,012	2,378	1,997	2,452	910	345	862	1,473	9,094	2,335	11,430
1990 <sup>2</sup> .....	1,039	2,378	2,115	2,479	876	362	879	1,394	9,247	2,273	11,521
1991.....	1,519	2,975	2,772	3,141	1,032	447	1,120	1,608	11,886	2,728	14,614
1992.....	2,684	3,621	3,398	3,653	1,099	476	1,269	1,680	14,932	2,949	17,881
1993.....	3,817	4,377	3,977	4,033	1,175	502	1,420	1,730	17,880	3,150	21,029
1994.....	4,328	4,771	4,866	4,756	1,344	569	1,659	1,930	20,635	3,588	24,223
1995 <sup>2</sup> .....	4,554	4,719	5,031	4,822	1,341	560	1,596	1,884	21,027	3,480	24,507
1996 <sup>2</sup> .....	4,543	4,595	5,123	4,830	1,305	540	1,510	1,808	20,936	3,317	24,254
1997.....	4,933	5,004	5,529	5,340	1,478	606	1,602	2,027	22,890	3,629	26,519
1998.....	4,915	5,114	5,816	5,688	1,567	630	1,548	2,110	23,729	3,658	27,387
1999.....	4,901	5,152	6,123	5,975	1,638	648	1,506	2,180	24,438	3,685	28,123
2000 <sup>3</sup> .....	4,866	5,182	6,409	6,308	1,709	668	1,493	2,282	25,143	3,775	28,918

<sup>1</sup> Age-specific information for these years not yet available.

<sup>2</sup> Payment due on October 1 of fiscal year paid in previous fiscal year.

<sup>3</sup> Partially estimated.

Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

<sup>1</sup> Fiscal years 1977 and later cover the period from October 1 of the previous calendar year to September 30 of the year. For example, fiscal year 1999 payments include payments made from October 1, 1998 through September 30, 1999.

<sup>2</sup> Generally, for fiscal years 1979 and later, the number of months of payments included in the fiscal year is:

- 11 months if October 1 of the current, but not the succeeding fiscal year falls on a weekend;
- 12 months if October 1 of both the current and succeeding fiscal years falls during the week (all payments made in the month due);
- 12 months if October 1 of both the current and succeeding fiscal years falls on a weekend (both payments due on October 1 paid in preceding fiscal year); and
- 13 months if October 1 of the succeeding, but not current, fiscal year falls on a weekend.

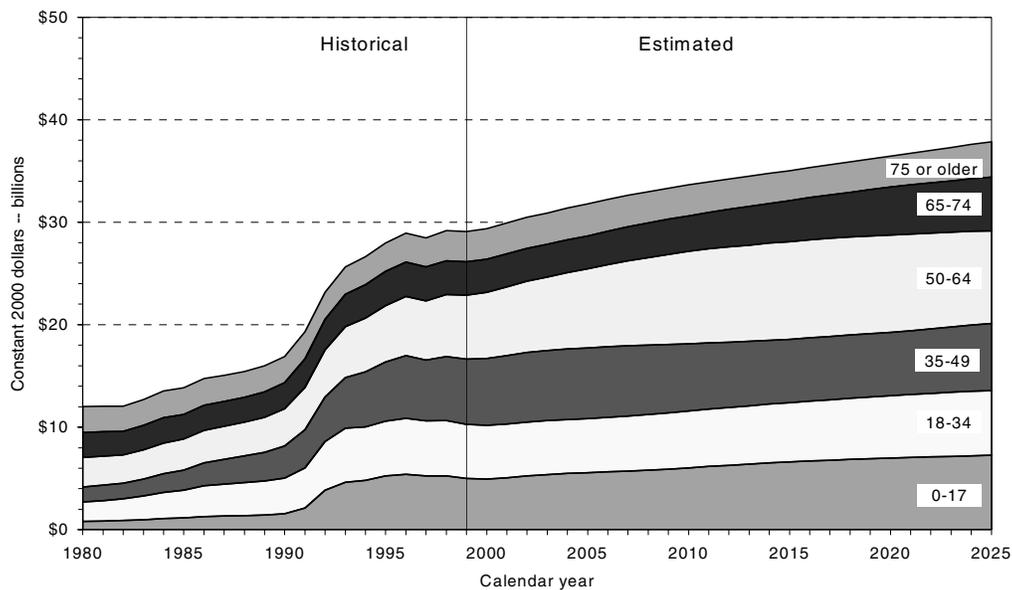
An exception to this general rule for October 1, 2000, was enacted in Public Law 105-33. Payments due on that Sunday will actually be paid on Monday, October 2, rather than on Friday, September 29.

When projecting dollar amounts over longer periods of time, the changing value of the dollar due to inflation can make meaningful comparisons of such amounts difficult. For this reason, in projecting SSI expenditures for 25 years, some means of removing inflation is generally desirable. Several economic series are available to allow current dollars to be adjusted for changes in prices, wages, and certain other aspects of economic growth during the projection period. The selection of a particular index for adjustment of current dollars depends upon a determination as to which index provides the most useful standard for adjusting dollar amounts over time, to create values that are appropriately comparable.

One of the most common forms of standardization is based on some measure of change in the prices of consumer goods. One such price index is the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics. This is the index used to determine annual increases in the SSI Federal benefit rate as described in table IV.A2, and for this reason is an appropriate means of standardizing projected SSI costs over time. Constant-dollar values of Federal SSI benefit payments (those adjusted by the CPI) are presented in table IV.C3 for both the historical period, calendar years 1974-99, along with the full 25-year projection period, 2000-24. This same information is presented in graphical form in figure IV.C1.

The future growth in the “constant dollar” estimates is attributable primarily to the underlying growth in the U.S. population as shown in table IV.A1, since, after the spike in terminations in 1997, the SSI recipient population is projected to remain fairly constant as a percentage of the total U.S. population. However, a small part of the growth in estimated payments is due to some underlying real growth in the assumed average SSI benefit. This results from an estimated increase in the disabled child recipients and a decrease in aged recipients as a percentage of the total SSI recipient population, along with the fact that disabled children typically have a much larger SSI benefit than do aged recipients.<sup>1</sup>

**Figure IV.C1.—SSI Federal Payments, by Age Group, in Constant 2000 Dollars, Calendar Years 1980-2025**  
[In billions]



<sup>1</sup> Disabled children typically have higher monthly Federal payment amounts because they have, on average, much less countable income than do adult recipients.

**Table IV.C3.—SSI Federal Payments in Constant 2000 Dollars, Calendar Years 1974-2024**

[In millions]

Calendar year	Blind or disabled, by age group						Aged, by age group		Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
<b>Historical data:</b>											
1974.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	\$6,953	\$6,037	\$12,990
1975.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	7,682	5,730	13,412
1976.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	8,019	5,249	13,268
1977.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	8,192	4,797	12,989
1978 <sup>2</sup> .....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	8,843	4,736	13,579
1979.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	8,159	4,050	12,209
1980.....	\$806	\$1,889	\$1,484	\$2,881	\$1,104	\$56	\$1,302	\$2,495	8,219	3,798	12,017
1981.....	843	1,985	1,511	2,838	1,204	58	1,183	2,430	8,439	3,613	12,052
1982.....	889	2,101	1,532	2,759	1,222	66	1,093	2,368	8,570	3,461	12,031
1983.....	967	2,312	1,660	2,872	1,304	97	1,052	2,426	9,212	3,478	12,690
1984.....	1,074	2,566	1,837	2,988	1,361	166	1,091	2,462	9,991	3,553	13,544
1985.....	1,158	2,688	1,967	3,028	1,311	252	1,100	2,358	10,403	3,458	13,860
1986.....	1,287	2,988	2,249	3,164	1,313	324	1,132	2,290	11,325	3,422	14,748
1987.....	1,345	3,111	2,419	3,224	1,265	387	1,144	2,159	11,751	3,304	15,055
1988.....	1,373	3,203	2,613	3,310	1,257	437	1,171	2,083	12,193	3,253	15,446
1989.....	1,407	3,335	2,809	3,403	1,285	502	1,209	2,030	12,740	3,238	15,978
1990.....	1,566	3,468	3,123	3,641	1,263	530	1,287	1,997	13,591	3,285	16,876
1991.....	2,102	3,919	3,715	4,139	1,328	579	1,464	2,051	15,782	3,515	19,296
1992.....	3,838	4,747	4,354	4,613	1,368	593	1,586	2,057	19,513	3,643	23,156
1993.....	4,627	5,285	4,929	4,957	1,430	607	1,741	2,082	21,836	3,823	25,659
1994.....	4,814	5,203	5,390	5,237	1,472	622	1,809	2,095	22,738	3,905	26,642
1995.....	5,229	5,363	5,789	5,497	1,523	635	1,796	2,134	24,036	3,929	27,966
1996.....	5,400	5,462	6,128	5,782	1,558	644	1,794	2,158	24,974	3,952	28,926
1997.....	5,251	5,369	5,939	5,774	1,606	655	1,693	2,183	24,594	3,876	28,469
1998.....	5,229	5,425	6,215	6,085	1,672	669	1,624	2,249	25,295	3,874	29,169
1999.....	4,983	5,289	6,374	6,222	1,711	674	1,549	2,274	25,253	3,823	29,076
<b>Estimated:</b>											
2000.....	4,936	5,243	6,531	6,461	1,740	675	1,487	2,306	25,586	3,793	29,379
2001.....	5,054	5,247	6,687	6,712	1,778	684	1,440	2,324	26,161	3,764	29,925
2002.....	5,251	5,253	6,779	6,956	1,812	697	1,394	2,338	26,749	3,732	30,481
2003.....	5,385	5,252	6,829	7,180	1,849	708	1,355	2,353	27,204	3,708	30,913
2004.....	5,490	5,260	6,881	7,453	1,885	721	1,329	2,366	27,691	3,695	31,386
2005.....	5,571	5,263	6,900	7,725	1,917	733	1,303	2,370	28,110	3,673	31,782
2006.....	5,653	5,298	6,900	8,018	1,965	740	1,296	2,355	28,574	3,651	32,225
2007.....	5,727	5,360	6,850	8,285	2,029	749	1,291	2,327	29,000	3,618	32,619
2008.....	5,808	5,428	6,770	8,535	2,093	754	1,290	2,294	29,389	3,585	32,974
2009.....	5,909	5,494	6,672	8,789	2,140	765	1,288	2,264	29,769	3,551	33,320
2010.....	6,030	5,551	6,566	9,027	2,176	779	1,285	2,232	30,128	3,517	33,645
2011.....	6,159	5,597	6,461	9,187	2,257	792	1,291	2,189	30,453	3,480	33,933
2012.....	6,286	5,640	6,368	9,293	2,364	807	1,304	2,151	30,759	3,454	34,213
2013.....	6,401	5,681	6,287	9,398	2,448	826	1,320	2,115	31,039	3,436	34,475
2014.....	6,517	5,732	6,222	9,491	2,534	843	1,347	2,085	31,338	3,433	34,771
2015.....	6,614	5,776	6,181	9,540	2,614	860	1,380	2,057	31,585	3,438	35,022
2016.....	6,705	5,837	6,177	9,570	2,699	878	1,421	2,040	31,865	3,461	35,326
2017.....	6,778	5,898	6,183	9,565	2,780	904	1,457	2,036	32,108	3,493	35,600
2018.....	6,850	5,965	6,190	9,552	2,865	929	1,497	2,039	32,352	3,536	35,887
2019.....	6,917	6,029	6,190	9,530	2,961	948	1,550	2,038	32,574	3,588	36,163
2020.....	6,983	6,086	6,194	9,503	3,060	964	1,610	2,041	32,789	3,651	36,440
2021.....	7,046	6,143	6,217	9,449	3,144	997	1,653	2,072	32,996	3,725	36,721
2022.....	7,105	6,194	6,273	9,354	3,218	1,042	1,684	2,123	33,185	3,807	36,992
2023.....	7,161	6,246	6,358	9,251	3,295	1,079	1,727	2,170	33,390	3,897	37,287
2024.....	7,217	6,291	6,458	9,146	3,371	1,117	1,772	2,224	33,600	3,996	37,595

<sup>1</sup> Age-specific information for these years not yet available.

<sup>2</sup> Includes 13 months of payments since payments due on January 1, 1978 and January 1, 1979 were both paid in calendar year 1978.

Notes:

1. Historical split among age groups is estimated.
2. Totals do not necessarily equal the sums of rounded components.

Although detailed projections of SSI State supplementary payments are not prepared, historical information on the amounts of such supplements is presented in tables IV.C4 and IV.C5. These amounts are consistent with those presented in the *Annual Statistical Supplement to the Social Security Bulletin* and are shown only for the two broad recipient categories.

**Table IV.C4.—SSI Federally-Administered State Supplementary Payments in Current Dollars, Calendar Years 1974-99**

[In millions]

Calendar year	Aged	Blind or disabled	Total
1974 .....	\$631	\$632	\$1,264
1975 .....	674	729	1,403
1976 .....	635	753	1,388
1977 .....	627	804	1,431
1978 .....	636	855	1,491
1979 .....	661	928	1,590
1980 .....	757	1,091	1,848
1981 .....	731	1,108	1,839
1982 .....	694	1,104	1,798
1983 .....	645	1,066	1,711
1984 .....	645	1,148	1,792
1985 .....	694	1,278	1,973
1986 .....	759	1,484	2,243
1987 .....	849	1,714	2,563
1988 .....	873	1,798	2,671
1989 .....	954	2,001	2,955
1990 .....	1,038	2,201	3,239
1991 .....	999	2,232	3,231
1992 .....	1,023	2,412	3,435
1993 .....	934	2,336	3,270
1994 .....	876	2,240	3,116
1995 .....	864	2,253	3,118
1996 .....	833	2,155	2,988
1997 .....	824	2,090	2,913
1998 .....	838	2,165	3,003
1999 .....	921	2,380	3,301

Note: Totals do not necessarily equal the sums of rounded components.

**Table IV.C5.—SSI State-Administered Payments <sup>1</sup> in Current Dollars, Calendar Years 1974-99**

[In millions]

Calendar year	Aged	Blind or disabled	Total <sup>2</sup>
1974 .....	\$89	\$49	\$149
1975 .....	88	74	162
1976 .....	88	77	166
1977 .....	85	87	172
1978 .....	91	88	180
1979 .....	105	100	207
1980 .....	117	106	226
1981 .....	120	113	237
1982 .....	125	119	276
1983 .....	135	132	270
1984 .....	141	152	299
1985 .....	138	165	311
1986 .....	147	185	340
1987 .....	146	205	359
1988 .....	150	224	381
1989 .....	160	251	419
1990 .....	177	281	466
1991 .....	200	310	529
1992 .....	216	323	550
1993 .....	219	341	566
1994 .....	225	354	585
1995 .....	228	356	590
1996 .....	225	307	539
1997 .....	228	303	681
1998 .....	259	429	808
1999 .....	( 3 )	(3)	(3)

<sup>1</sup> Data provided by individual States are partially estimated, and may be incomplete.

<sup>2</sup> Includes amounts not distributed by recipient category.

<sup>3</sup> Not yet available.

**D. FEDERAL SSI PAYMENTS AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT**

As mentioned in the previous section, in order to make meaningful comparisons of dollar amounts projected over long periods of time, it is essential to provide some sort of standardization that accounts for various aspects of economic growth over the projection period. In that section, one such set of standardized amounts (“constant dollars”) was presented by adjusting for changes in the CPI over time. An alternative approach would be to provide some type of relative measure of these amounts. In the OASDI Trustees Report, such a relative measure of program costs is produced by comparing the nominal annual outgo to the total earnings in the economy subject to taxation under the OASDI program. In the case of SSI, a more appropriate measure is produced by comparing estimated annual SSI costs to the Gross Domestic Product (GDP—the total value of goods and services produced in the United States). In addition to providing an inflation-independent measure of the cost of the SSI program, this provides a useful perspective on the proportion of the total output of the U.S. economy needed to provide Federal SSI benefits. As is shown in table IV.D1 and figure IV.D1, the total cost of the SSI program is projected to decline relative to GDP throughout the projection period.

Table IV.D1 and figure IV.D1 present a concise summary of Federal expenditures under the SSI program. Following the initial higher costs of the program, total Federal SSI payments during the 1980s were a fairly constant percentage of GDP (0.21 percent). During the early 1990s, SSI experienced rather rapid growth (to 0.34 percent of GDP in 1996) due to a combination of factors discussed earlier in section IV. Welfare reform legislation resulted in a drop in the cost of SSI as a percentage of GDP in 1997. As mentioned earlier, the estimates prepared for this report project total participation in the SSI program to remain a stable proportion of the U.S. population. Federal SSI expenditures, after adjusting for growth in prices, are projected to grow slightly faster than the population due to the estimated small amount of real growth in the SSI average benefit, as discussed previously in section IV.C. Since the real growth projected for GDP under the 2000 Trustees Report intermediate assumptions is greater than the combined effects of increases in SSI participation and the estimated real increase in the SSI average benefit, Federal SSI payments are projected to continue to decline as a percentage of GDP over the next 25 years, reaching 0.26 percent of GDP by 2024.

**Figure IV.D1.—SSI Federal Payments, by Age Group, as a Percentage of GDP, Calendar Years 1980-2025**

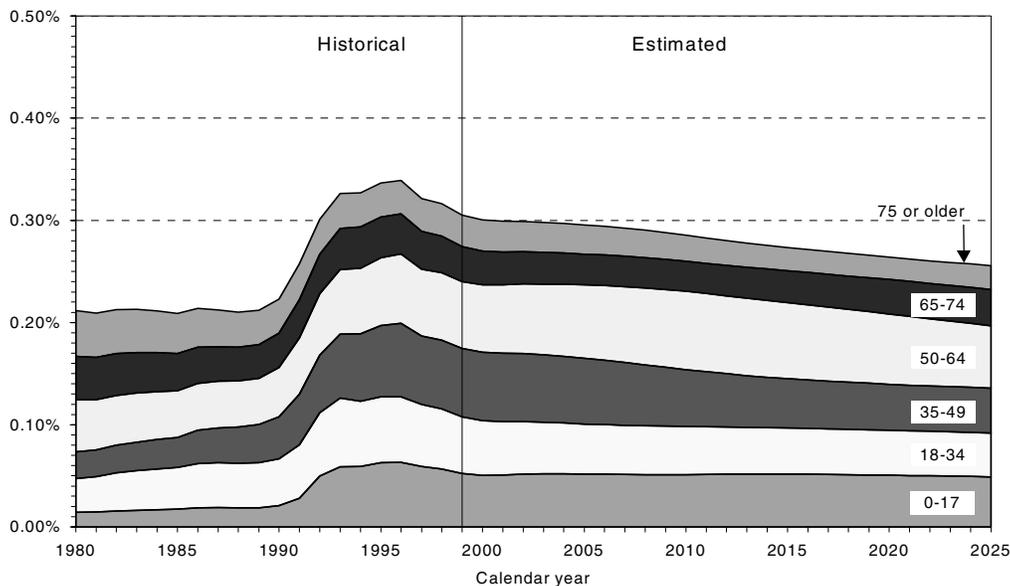


Table IV.D1.—SSI Federal Payments as a Percentage of GDP, Calendar Years 1974-2024

Calendar year	GDP (In billions)	Blind or disabled, by age group					Aged, by age group			Totals		
		0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:												
1974 .....	\$1,501	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.137	0.119	0.255
1975 .....	1,635	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.151	.113	.264
1976 .....	1,824	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.150	.098	.247
1977 .....	2,031	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.146	.086	.232
1978 .....	2,296	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.150	.080	.231
1979 .....	2,566	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.138	.069	.207
1980 .....	2,796	0.014	0.033	0.026	0.051	0.019	0.001	0.023	0.044	.145	.067	.212
1981 .....	3,131	.015	.034	.026	.049	.021	.001	.021	.042	.146	.063	.209
1982 .....	3,259	.016	.037	.027	.049	.022	.001	.019	.042	.151	.061	.213
1983 .....	3,535	.016	.039	.028	.048	.022	.002	.018	.041	.155	.058	.213
1984 .....	3,933	.017	.040	.029	.047	.021	.003	.017	.038	.156	.055	.212
1985 .....	4,213	.017	.041	.030	.046	.020	.004	.017	.036	.157	.052	.209
1986 .....	4,453	.019	.043	.033	.046	.019	.005	.016	.033	.164	.050	.214
1987 .....	4,742	.019	.044	.034	.045	.018	.005	.016	.030	.166	.047	.212
1988 .....	5,108	.019	.044	.036	.045	.017	.006	.016	.028	.166	.044	.210
1989 .....	5,489	.019	.044	.037	.045	.017	.007	.016	.027	.169	.043	.212
1990 .....	5,803	.021	.046	.041	.048	.017	.007	.017	.026	.180	.043	.223
1991 .....	5,986	.028	.052	.050	.055	.018	.008	.020	.027	.211	.047	.257
1992 .....	6,319	.050	.062	.057	.060	.018	.008	.021	.027	.254	.047	.301
1993 .....	6,642	.059	.067	.063	.063	.018	.008	.022	.026	.278	.049	.326
1994 .....	7,054	.059	.064	.066	.064	.018	.008	.022	.026	.279	.048	.327
1995 .....	7,401	.063	.065	.070	.066	.018	.008	.022	.026	.289	.047	.337
1996 .....	7,813	.063	.064	.072	.068	.018	.008	.021	.025	.293	.046	.339
1997 .....	8,301	.059	.061	.067	.065	.018	.007	.019	.025	.278	.044	.321
1998 .....	8,760	.057	.059	.067	.066	.018	.007	.018	.024	.274	.042	.316
1999 .....	9,249	.052	.055	.067	.065	.018	.007	.016	.024	.265	.040	.305
Estimated:												
2000 .....	9,781	.050	.054	.067	.066	.018	.007	.015	.024	.262	.039	.300
2001 .....	10,296	.051	.052	.067	.067	.018	.007	.014	.023	.262	.038	.299
2002 .....	10,809	.052	.052	.067	.068	.018	.007	.014	.023	.262	.037	.299
2003 .....	11,340	.052	.051	.066	.069	.018	.007	.013	.023	.262	.036	.298
2004 .....	11,909	.052	.050	.065	.071	.018	.007	.013	.022	.262	.035	.297
2005 .....	12,524	.052	.049	.064	.072	.018	.007	.012	.022	.261	.034	.296
2006 .....	13,174	.052	.048	.063	.073	.018	.007	.012	.022	.261	.033	.294
2007 .....	13,858	.051	.048	.061	.074	.018	.007	.012	.021	.260	.032	.292
2008 .....	14,573	.051	.048	.060	.075	.018	.007	.011	.020	.259	.032	.290
2009 .....	15,340	.051	.047	.058	.076	.018	.007	.011	.020	.257	.031	.288
2010 .....	16,141	.051	.047	.056	.077	.018	.007	.011	.019	.256	.030	.286
2011 .....	16,976	.051	.047	.054	.077	.019	.007	.011	.018	.254	.029	.283
2012 .....	17,843	.052	.046	.052	.076	.019	.007	.011	.018	.252	.028	.280
2013 .....	18,739	.052	.046	.051	.076	.020	.007	.011	.017	.250	.028	.278
2014 .....	19,670	.052	.045	.049	.075	.020	.007	.011	.017	.248	.027	.276
2015 .....	20,641	.052	.045	.048	.074	.020	.007	.011	.016	.247	.027	.273
2016 .....	21,652	.052	.045	.047	.074	.021	.007	.011	.016	.245	.027	.272
2017 .....	22,711	.051	.045	.047	.072	.021	.007	.011	.015	.243	.026	.270
2018 .....	23,815	.051	.044	.046	.071	.021	.007	.011	.015	.241	.026	.268
2019 .....	24,968	.051	.044	.045	.070	.022	.007	.011	.015	.239	.026	.266
2020 .....	26,169	.051	.044	.045	.069	.022	.007	.012	.015	.237	.026	.264
2021 .....	27,411	.050	.044	.044	.067	.022	.007	.012	.015	.236	.027	.262
2022 .....	28,730	.050	.044	.044	.066	.023	.007	.012	.015	.234	.027	.260
2023 .....	30,093	.050	.043	.044	.064	.023	.007	.012	.015	.232	.027	.259
2024 .....	31,523	.049	.043	.044	.063	.023	.008	.012	.015	.230	.027	.257

<sup>1</sup> Age-specific information for these years not yet available.

## Notes:

1. Historical GDP amounts subject to revision.
2. Totals do not necessarily equal the sums of rounded components.

**E. THE SSI PROGRAM'S SHARE OF SSA'S ADMINISTRATIVE COSTS  
AND BENEFICIARY SERVICES COSTS**

The SSI program is administered by the Social Security Administration. Section 201(g)(1) of the Social Security Act provides that administrative expenses for the SSI program, including Federal administration of State supplementation payments, may be financed from the OASDI Trust Funds. The trust funds are reimbursed from the General Fund of the Treasury for any such SSI administrative expenditures. These reimbursements include adjustments for any interest losses the trust funds may have incurred as a result of such expenditures. The legislative history of the 1972 amendments (which established this funding mechanism) indicates a desire to obtain economy of administration by giving SSA the responsibility for the SSI program because of its existing field office network and its administrative and automated data processing facilities. Because of the integration of the administration of the SSI and OASDI programs, it was desirable to fund them from a single source, with reimbursement to the trust funds based on a General Accounting Office-approved method of cost analysis of the respective expenses of the SSI and OASDI programs, and a final settlement by the end of the subsequent fiscal year required by law. Table IV.E1 provides historical data on selected administrative costs of the SSI program.

**Table IV.E1.—Selected SSI Administrative Costs, Fiscal Years 1978-2000**  
[Outlays in millions]

Fiscal year	Payments to the trust funds <sup>1</sup>	Beneficiary services <sup>2</sup>
1978 .....	\$539	\$31.6
1979 .....	611	57.0
1980 .....	668	33.1
1981 .....	717	37.3
1982 .....	780	12.0
1983 .....	846	8.0
1984 .....	864	<sup>3</sup> 84.0
1985 .....	956	3.0
1986 .....	1,023	7.2
1987 .....	977	9.5
1988 .....	976	12.9
1989 .....	1,052	20.0
1990 .....	1,075	28.3
1991 .....	1,230	33.1
1992 .....	1,426	36.0
1993 .....	1,468	32.3
1994 .....	1,780	33.8
1995 .....	1,978	48.2
1996 .....	1,953	71.8
1997 .....	2,055	77.3
1998 .....	2,304	46.0
1999 .....	2,493	52.0
2000 (estimated) .....	2,343	92.0

<sup>1</sup> This activity funds the reimbursement to the OASI and DI Trust Funds from the General Fund of the Treasury for the SSI program's share of SSA's administrative expenses.

<sup>2</sup> Includes payments to State Vocational Rehabilitation (VR) agencies for VR services and payments for referral and monitoring services for Drug Addicts and Alcoholics, which terminated effective January, 1997.

<sup>3</sup> Reflects a one-time payment to State VR agencies for prior year expenses.

## V. APPENDICES

### A. HISTORY OF PROVISIONS

Act

#### 1972

*Public Law 92-603,  
enacted October 30*

#### 1. Basic Eligibility Requirements

An individual may qualify for payments on the basis of age, blindness, or disability.

**Aged:** Any person aged 65 or older.

**Blind:** Any person with 20/200 or less vision in the better eye with the use of correcting lenses, or with tunnel vision of 20 degrees or less. An individual transferred from a State Aid to the Blind (AB) program is eligible if he/she received such State aid in December 1973 and continues to meet the October 1972 State definition of blindness.

**Disabled:** Any person unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment expected to result in death or that has lasted or can be expected to last for a continuous period of at least 12 months. For a child under age 18, eligibility is based on disability of severity comparable with that of an adult. An individual transferred from a State Aid to the Permanently and Totally Disabled (APTD) program to SSI is also eligible if he/she received such State aid in December 1973 and continues to meet the October 1972 State definition of disability.

#### 1973

*Public Law 93-233,  
enacted December 31*

Only persons who had received APTD before July 1973 and were on the rolls in December 1973 may receive SSI on the basis of the State definition of disability; those who became eligible for State aid from July to December 1973 must meet the Federal definition of disability.

#### 1980

*Public Law 96-265,  
enacted June 9*

A disabled recipient who loses Federal SSI eligibility because of earnings at the substantial gainful activity level may continue to receive a special benefit under section 1619 and retain eligibility for Medicaid under title XIX of the Social Security Act. This special benefit status may continue as long as the recipient has the disabling impairment and meets all nondisability SSI eligibility criteria. States have the option of supplementing this special benefit.

This provision of the law was in effect from January 1, 1981, through December 31, 1983. Beginning in January 1984, under a 1-year demonstration project, this provision was continued for persons already eligible for either regular SSI payments or special monthly benefits.

#### 1984

*Public Law 98-460,  
enacted October 9*

The special benefit and Medicaid provisions of the 1980 legislation were extended through June 30, 1987 (retroactive to January 1, 1984).

#### 1986

*Public Law 99-643,  
enacted November 10*

The special benefit and Medicaid provisions of the 1980 amendments are made permanent. The provisions were amended effective July 1, 1987, with significant modifications to simplify administration and to allow free movement between regular SSI disability payments and either the special cash benefit or Medicaid eligibility under section 1619. The distinction between a disabled person eligible for regular SSI payments and one eligible for 1619(a) is that the latter has several months with gross earnings above the SGA level. Previously, section 1619(a) status required completion of a trial work period and the determination that the work was SGA.

Act

**1996**

*Public Law 104-193,  
enacted August 22*

For individuals under age 18, the “comparable severity” standard is eliminated and replaced with a requirement that a child be considered disabled if he/she has a medically determinable impairment that results in “marked and severe functional limitations,” and meets the existing statutory duration requirement. The law also eliminates references to “maladaptive behaviors” in the Listing of Impairments for children, and discontinues the use of individualized functional assessments for children.

SSI eligibility is prohibited for an individual in any month during which such an individual is a fugitive felon, fleeing prosecution, or violating State or Federal conditions of probation or parole. In addition, SSI eligibility is prohibited for 10 years for those convicted of fraudulently claiming residence to obtain benefits simultaneously in two or more States.<sup>1</sup>

**2. Other Eligibility Provisions**

*a. Citizenship and Residence*

**1972**

*Public Law 92-603,  
enacted October 30*

The individual must reside within one of the 50 States or the District of Columbia and be a citizen or an alien lawfully admitted for permanent residence or permanently residing in the United States under color of law. Persons living outside the United States for an entire calendar month lose their eligibility for such a month.

**1976**

*Public Law 94-241,  
enacted March 24*

Eligibility for SSI is extended to residents of the Northern Mariana Islands, effective January 9, 1978.

**1980**

*Public Law 96-265,  
enacted June 9*

The income and resources of the immigration sponsors of aliens applying for SSI are considered in determining eligibility for and the amount of payment. After allowances for the needs of the sponsor and his/her family, the remainder is deemed available for the support of the alien applicant for a 3-year period after admission to the United States for permanent residence. This provision does not apply to those who become blind or disabled after admission, to refugees, or to persons granted political asylum.

**1989**

*Public Law 101-239,  
enacted December 19*

SSI eligibility is continued for a disabled or blind child who was receiving SSI benefits while living in the United States and is now living with a parent who is a member of the U.S. Armed Forces assigned to permanent duty ashore outside the United States, but not where the parent is stationed in Puerto Rico or the territories and possessions of the United States.

**1993**

*Public Law 103-66,  
enacted August 10*

Above provision made applicable where the parent is a member of the U.S. Armed Forces and stationed in Puerto Rico or the territories and possessions of the United States.

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<sup>1</sup> This last provision was repealed in 1999 by Public Law 106-169 and replaced with a provision providing for nonpayment of benefits for up to 24 months.

## Act

**1996**

*Public Law 104-193,  
enacted August 22*

Prohibits SSI eligibility for anyone who is not a U.S. citizen or national unless they are in a “qualified alien” category and meet one of certain exceptions such as lawful permanent residents who earn or can be credited with 40 qualifying quarters of earnings, certain refugee type categories eligible for up to 5 years of time limited eligibility, or active duty U.S. military or veterans and their spouses and children. Extends eligibility for aliens receiving SSI as of August 22, 1996 (the enactment date of the law) for 1 year after the enactment date for those aliens found ineligible under the new standards.

*Public Law 104-208,  
enacted September 30*

Amends Public Law 104-193 to add to the list of “qualified aliens” certain non-citizens (and their children) who have been battered or subjected to extreme cruelty by a spouse or parent or a member of the spouse’s or parent’s family living in the same household.

**1997**

*Public Law 105-18,  
enacted June 12*

Extends eligibility for aliens receiving SSI as of August 22, 1996, until September 30, 1997, for those found ineligible under the new alien standards of Public Law 104-193.

*Public Law 105-33,  
enacted August 5*

Further amends Public Law 104-193 to add Cuban and Haitian entrants, and the child of a parent who has been battered or subjected to extreme cruelty, to the list of qualified aliens. Provides that Cuban and Haitian entrants and Amerasian immigrants qualify for time limited eligibility, and increases the time limit from 5 to 7 years for all categories. Additional exceptions are added for qualified aliens: (1) lawfully residing in the United States and receiving SSI benefits on August 22, 1996; and (2) lawfully residing in the United States on August 22, 1996 and meeting the definition of blind or disabled in the Social Security Act.

Certain noncitizen American Indians are excepted from the alien nonpayment provisions of Public Law 104-193.

Extends eligibility for “nonqualified aliens” receiving SSI as of August 22, 1996, until September 30, 1998.

**1998**

*Public Law 105-306,  
enacted October 28*

Permanently extends eligibility of all remaining “nonqualified aliens” who were receiving SSI benefits when Public Law 104-193 was enacted on August 22, 1996.

**b. Other Benefits****1980**

*Public Law 96-272,  
enacted June 17*

SSI applicants and recipients are not required as a condition of eligibility to elect to receive Veterans Administration pensions under the Veterans and Survivors’ Pension Improvement Act of 1978 if the State of residence lacks a medically-needy program under title XIX.

**c. Drug Addiction and Alcoholism (DA&A)****1972**

*Public Law 92-603,  
enacted October 30*

Any disabled individual who has been medically determined to be an alcoholic or drug addict must accept appropriate treatment, if available, in an approved facility and demonstrate compliance with conditions and requirements for treatment.

SSI payments are required to be made through a representative payee—another person or public or private agency designated by SSA to manage the recipient’s benefit on his/her behalf.

Act

**1994**

*Public Law 103-296,  
enacted August 15*

Any individual who is receiving SSI based on a disability where drug addiction or alcoholism is a contributing factor material to the finding of disability must comply with the DA&A treatment requirements. The individual must accept appropriate treatment when it is available and comply with the conditions and terms of treatment. Instances of noncompliance with the requirements result in progressively longer payment suspensions. Before payments can resume, the individual must demonstrate compliance for specific periods; 2 months, 3 months, and 6 months, respectively, for the first, second, third and subsequent instances of noncompliance. An individual who is not in compliance with the DA&A treatment requirements for 12 consecutive months shall not be eligible for payments; however, this does not prevent such individuals from reapplying and again becoming eligible for payments.

SSI disability payments based on DA&A are also limited to a total of 36 benefit months (beginning March 1995) regardless of whether appropriate treatment is available. Months for which benefits are not due and received do not count towards the 36-month limit.

Payments based on DA&A must be made to a representative payee. Preference is required to be given to community based nonprofit social service agencies and Federal, State, or local government agencies in representative payee selection. These agencies when serving as payees for individuals receiving payments based on DA&A may retain the lesser of 10 percent of the monthly benefit or \$51 (indexed to the Consumer Price Index (CPI)) as compensation for their services.

Establishment of one or more referral and monitoring agencies for each State is required.

**1996**

*Public Law 104-121,  
enacted March 29*

An individual is not considered disabled if DA&A is a contributing factor material to a finding of disability.

Applies DA&A representative payee requirements enacted under Public Law 103-296 to disabled SSI recipients who have a DA&A condition and are incapable of managing their benefits. In addition, these recipients shall be referred to the appropriate State agency administering the State plan for substance abuse treatment.

**d. Institutionalization**

**1972**

*Public Law 92-603,  
enacted October 30*

An individual who is an inmate of a public institution is ineligible for SSI payments unless the institution is a facility approved for Medicaid payments and is receiving such payments on behalf of the person. Under *regulations*, the Medicaid payment must represent more than 50 percent of the cost of services provided by the facility to the individual.

**1976**

*Public Law 94-566,  
enacted October 20*

An inmate of a publicly operated community residence serving no more than 16 persons may, if otherwise eligible, receive SSI.

**1983**

*Public Law 98-21,  
enacted April 20*

Payments may be made to persons who are residents of public emergency shelters for the homeless for a period of up to 3 months in any 12-month period.

**1986**

*Public Law 99-643,  
enacted November 10*

Effective July 1, 1987, disabled or blind recipients who were receiving special SSI payments or had special SSI recipient status under section 1619 in the month preceding the first full month of institutionalization, may receive payments based on the full Federal benefit rate for the initial 2 full months of institutionalization, if they reside in certain public medical, psychiatric or Medicaid facilities, or in private Medicaid facilities.

## Act

**1987**

*Public Law 100-203,  
enacted December 22*

Effective January 1, 1988, payments may be made to persons who are residents of public emergency shelters for the homeless, for up to 6 months in a 9-month period.

Effective July 1, 1988, continued payment of SSI benefits for up to 3 months is permitted, at the rate that was applicable in the month prior to the first full month of institutionalization, for individuals whose expected institutional stay on admission is not likely to exceed 3 months, as certified by a physician, and for whom the receipt of benefits is necessary to maintain living arrangements to which they may return.

**1996**

*Public Law 104-193,  
enacted August 22*

Effective December 1996, institutionalized children under age 18 whose private health insurance is making payments to the institution may receive no more than \$30 per month in Federal SSI.

***e. Vocational Rehabilitation and Treatment***

**1972**

*Public Law 92-603,  
enacted October 30*

Blind or disabled individuals receiving Federal SSI benefits who are under age 65, must be referred to the State agency providing services under the Vocational Rehabilitation Act and must accept the services offered. States are reimbursed for the cost of services.

**1976**

*Public Law 94-566,  
enacted October 20*

Blind or disabled children under age 16 must be referred to the State agency administering crippled children's services or to another agency designated by the State. States are reimbursed for the cost of services.

Of funds provided for these services, at least 90 percent must be used for children under age 6 or for those who have never attended public schools.

**1980**

*Public Law 96-265,  
enacted June 9*

Disabled SSI recipients who medically recover while enrolled in approved vocational rehabilitation programs of State VR agencies, may continue to receive benefits during their participation in such programs if the Commissioner of Social Security determines that continuation in the program will increase the probability that they leave the rolls permanently.

**1981**

*Public Law 97-35,  
enacted August 13*

Funding no longer provided under title XVI for medical, social, developmental and rehabilitative services to disabled or blind children.

Reimbursement for the cost of rehabilitation services will be made if the services result in the recipient's return to work.

**1984**

*Public Law 98-460,  
enacted October 9*

Authorizes the reimbursement of States for the cost of VR services provided to individuals who (1) continue to receive benefits after medical recovery because they are participating in a State VR program or (2) refuse, without good cause, to continue in or cooperate with the VR program in which they had been participating.

**1987**

*Public Law 100-203,  
enacted December 22*

Provision for continuation of payments to SSI recipients who have medically recovered while enrolled in an approved vocational rehabilitation program extended to blind SSI recipients.

Act

**1990**

*Public Law 101-508,  
enacted November 5*

Reimbursement authorized for the cost of vocational rehabilitation services provided in months in which the individual was not receiving Federal SSI payments, if:

- SSI recipient status for Medicaid eligibility purposes was retained under work incentive provisions, or
- Benefits were in suspense<sup>1</sup> status (for a reason other than cessation of disability or blindness), or
- Federally-administered State supplementation was received.

Extends the provision providing for benefit continuation to SSI recipients who medically recover while participating in a State VR program to include SSI recipients participating in a non-State VR program.

**1999**

*Public Law 106-170,  
enacted December 17*

Establishes a program which will provide SSI (and OASDI) disability beneficiaries with a ticket that can be used to obtain vocational rehabilitation services, employment services, or other support services, from an employment network of their choice. Effective 1 year after enactment.

*f. Continuing Disability Reviews and Eligibility Redeterminations*

**1994**

*Public Law 103-296,  
enacted August 15*

During each of fiscal years 1996, 1997, and 1998, requires SSA to conduct continuing disability reviews (CDRs) on a minimum of 100,000 SSI recipients. In addition, during the same period, requires SSA to redetermine the SSI eligibility of at least one-third of all childhood SSI recipients who reach age 18 after April 1995 during the 1-year period following attainment of age 18. Redeterminations for persons turning age 18 could count toward the 100,000 CDR requirement.

**1996**

*Public Law 104-193,  
enacted August 22*

Repeals the requirement that SSA redetermine the eligibility of at least one-third of all childhood SSI recipients who reach age 18 after April 1995 during the 1-year period following attainment of age 18.

Requires a CDR:

- At least once every 3 years for SSI recipients under age 18 who are eligible by reason of an impairment which is likely to improve, and
- Not later than 12 months after birth for recipients whose low birth weight is a contributing factor material to the determination of their disability.

Requires eligibility redetermination for all childhood SSI recipients eligible for the month before the month in which they attain age 18.

Requires redetermination of eligibility for children considered disabled based on an individual functional assessment and/or consideration of maladaptive behavior.

Requires the representative payee of a childhood disability recipient whose continuing eligibility is being reviewed to present evidence that the recipient is receiving treatment which is considered medically necessary and available for the condition which was the basis for providing SSI benefits.

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<sup>1</sup> Recipients who have lost eligibility for SSI benefits for fewer than 13 consecutive months are in suspended payment status.

Act

**1997**

*Public Law 105-33,  
enacted August 5*

Modifies provision of Public Law 104-193 to extend from 12 to 18 months the period for redetermining the disability of children under age 18 under the new childhood disability standard.

Modifies provision of Public Law 104-193 to permit SSA to schedule a CDR for a disabled child for whom low birth weight is a contributing factor material to the determination of disability, at a date after the child's first birthday if the Commissioner determines the impairment is not expected to improve within 12 months of the child's birth.

Modifies provision of Public Law 104-193 to provide SSA the authority to make redeterminations of disabled childhood recipients who attain age 18, more than 1 year after the date such recipient attains age 18.

***g. Deeming of Income and Resources***

**1972**

*Public Law 92-603,  
enacted October 30*

Deeming occurs when the income and resources of certain family members living in the same household with the SSI recipient are considered in determining the amount of the SSI payment. These family members are the ineligible spouse of an adult recipient and the ineligible parents of a child recipient under age 21.

After deduction of personal allocations for the spouse (or parents) and for ineligible children in the home, and after application of income exclusions, any remaining income of the spouse (or parents) is added to the income of the eligible person.

**1980**

*Public Law 96-265,  
enacted June 9*

Children aged 18 or older are not subject to parental deeming.

Sponsor's income deemed to an alien for 3 years.

**1989**

*Public Law 101-239,  
enacted December 19*

Disabled children receiving home care services under State Medicaid programs, who are ineligible for SSI because of deeming of parental income, and who received SSI benefits limited to \$30 while in a medical treatment facility may receive the \$30 monthly allowance that would be payable if the recipient were institutionalized.

**1993**

*Public Law 103-152,  
enacted November 24*

Sponsor-to-alien deeming period extended from 3 years to 5 years, effective January 1, 1994, through September 30, 1996.

Considers an ineligible spouse or parent who is absent from the household due to active military service to be a member of the household for deeming purposes.

Act

**1996**

*Public Law 104-193,  
enacted August 22*

Deeming of income and resources from an immigration sponsor to a noncitizen continues until citizenship, with exceptions for those who earn, or can be credited with, 40 qualifying quarters of earnings. Effective for those whose sponsor signs a new legally enforceable affidavit of support.

*Public Law 104-208,  
enacted September 30*

Amends Public Law 104-193 to add two exceptions to the sponsor-to-alien deeming:

- Provides that if the noncitizen is indigent and would be unable to obtain food and shelter without SSI benefits even after receiving support from the sponsor, then only the amount of income and resources actually provided by the sponsor will be counted for a 12-month period after a determination of indigence; and
- Provides that in certain cases, deeming would not apply for a 12-month period (with some options for extension) if the noncitizen (or his/her children) has been battered, or subjected to extreme cruelty by family members.

**1997**

*Public Law 105-33,  
enacted August 5*

Amends Public Law 104-208 to add an additional exception to sponsor-to-alien deeming when the parent of a noncitizen has been battered or subjected to extreme cruelty by family members.

**3. Federal Benefit Payments**

*a. Windfall Offset*

**1980**

*Public Law 96-265,  
enacted June 9*

Offset (by reduction of retroactive Social Security benefits) to prevent persons whose initial OASDI payment is retroactive from receiving more in total benefits for the same period than if they were paid the benefits when regularly due.

**1984**

*Public Law 98-617,  
enacted November 8*

Offset provision expanded to allow for reduction of retroactive SSI benefits and to apply in cases of OASDI benefit reinstatement.

*b. Proration of Benefit*

**1982**

*Public Law 97-248,  
enacted September 3*

Benefit for first month of eligibility to be prorated by the number of days in the month for which an application has been filed and there is eligibility.

**1996**

*Public Law 104-193,  
enacted August 22*

Changes the effective date of an SSI application to the first day of the month following the date on which the application was filed or on which the individual first becomes eligible, whichever is later. This, in effect, eliminates prorated payments in initial claims.

Act

**1981**

*Public Law 97-35,  
enacted August 13*

**1984**

*Public Law 98-369,  
enacted July 18*

**1987**

*Public Law 100-203,  
enacted December 22*

**1993**

*Public Law 103-66,  
enacted August 10*

**1981**

*Public Law 97-35,  
enacted August 13*

**1987**

*Public Law 100-86,  
enacted August 10*

**1982**

*Public Law 97-248,  
enacted September 3*

**1999**

*Public Law 106-169,  
enacted December 14*

**c. Retrospective Monthly Accounting**

Changes the method of computing the SSI benefit to one under which the benefit amount is computed on a monthly basis and is based on income and other characteristics in the previous (or second previous) month.

Changes the method of computing the SSI benefit to persons receiving title II payments. The effect of the increased title II income at the time of the cost-of-living increase is not delayed as it otherwise would be.

Provides an exception to retrospective monthly accounting so that amounts received under Aid to Families With Dependent Children (AFDC), foster care, refugee cash assistance, Cuban-Haitian entrant assistance, or general and child welfare assistance provided by the Bureau of Indian Affairs are counted only in the month received.

Changes the method of computing the SSI benefit to persons receiving the value of the one-third reduction. The effect of the increased value at the time of the cost-of-living increase is not delayed as it otherwise would be. Effective January 1995.

**d. Uncashed Checks**

States that have Federally-administered supplements to be credited their share of SSI checks that remain unnegotiated for 180 days.

SSI checks now unnegotiable after 1 year. States are credited their share of SSI checks after 1 year rather than 180 days.

**e. Rounding of Payment Amounts**

Cost-of-living adjustments in the Federal SSI benefit and income eligibility levels are to be rounded to the next lower whole dollar, after the adjustment is calculated. Subsequent cost-of-living adjustments will be calculated on the previous year's benefit standard before rounding.

**f. Penalties Resulting in Nonpayment of Benefits**

Provides a penalty under the SSI program for the disposal of resources at less than fair market value. The penalty is a loss of benefits for up to 36 months. A formula is provided to determine the number of months.

Provides for the nonpayment of OASDI and SSI benefits (6, 12 and 24 months, respectively, for the first, second, and third or subsequent violations) for individuals found to have made a statement or representation of material fact for use in determining eligibility for benefits that the individual knew, or should have known, was false or misleading or omitted a material fact.

#### 4. Federal Benefit Rates

Basic benefit standards are used in computing the amount of Federal SSI payments. Benefit levels differ for individuals and couples living in households and for persons in Medicaid institutions. Individuals or couples living in their own households receive the full Federal benefit. If an individual or couple is living in another person's household and receiving support and maintenance there, the Federal benefit is reduced by one-third. The Federal benefit rates for persons in households are increased annually to reflect increases in the cost of living. Legislation affecting the level of Federal benefit rates since the inception of the SSI program are summarized in table V.A1.

**Table V.A1.—Federal Benefit Rates Set by Legislation**

Act	Living arrangements <sup>1</sup>	Amount <sup>2</sup>		Conditions
		Individual	Couple	
1972 <sup>3</sup> .....	Own household <sup>4</sup>	\$130.00	\$195.00	Was to be effective January 1, 1974; superseded by Public Law 93-233.
1973 <sup>5</sup> .....	—	140.00	210.00	Was to be effective January 1, 1974; superseded by Public Law 93-233.
1973 <sup>6</sup> .....	—	140.00	210.00	Effective January 1, 1974.
1973 <sup>6</sup> .....	—	146.00	219.00	Effective July 1, 1974.
1974 <sup>7</sup> .....	—	—	—	Mechanism established for providing cost-of-living adjustments coordinated with earlier legislation applying to OASDI cash benefits. SSI payments to be increased by the same percentage as OASDI benefits and at the same time.
	—	<sup>8</sup> 157.70	<sup>8</sup> 236.60	Effective July 1, 1975.
1983 <sup>9</sup> .....	—	304.30	456.40	Effective July 1, 1983 (general benefit increase).
	—	<sup>8</sup> 314.00	<sup>8</sup> 472.00	Effective January 1, 1984.
1973 <sup>5</sup> .....	Increment for "essential person" in household	65.00	—	Was to be effective January 1, 1974. For persons transferred from OAA, AB, or APTD programs who were receiving payments in December 1973 under a State plan that took account of "essential persons" in the household.
	—	70.00	—	Was to be effective July 1, 1974.
1973 <sup>6</sup> .....	—	70.00	—	Effective January 1, 1974.
	—	73.00	—	Effective July 1, 1974.
1974 <sup>7</sup> .....	—	—	—	Mechanism established for providing cost-of-living adjustments.
	—	<sup>8</sup> 78.90	—	Effective July 1, 1975.
1983 <sup>9</sup> .....	—	152.50	—	Effective July 1, 1983 (general benefit increase).
	—	<sup>8</sup> 157.00	—	Effective January 1, 1984.
1972 <sup>3</sup> .....	Receiving institutional care covered by Medicaid	25.00	50.00	Effective January 1, 1974. Must be receiving more than 50 percent of the cost of the care from Medicaid (title XIX of the Social Security Act).
1987 <sup>10</sup> ....	—	30.00	60.00	Effective July 1, 1988. Must be receiving more than 50 percent of the cost of the care from Medicaid (title XIX of the Social Security Act).

<sup>1</sup> For those in another person's household receiving support and maintenance there, the Federal benefit rate is reduced by one-third.

<sup>2</sup> For those without countable income. These payments are reduced by the amount of countable income of the individual or couple.

<sup>3</sup> Public Law 92-603, enacted October 30, 1972.

<sup>4</sup> Includes persons in private institutions whose care is not provided by Medicaid.

<sup>5</sup> Public Law 93-66, enacted July 9, 1973.

<sup>6</sup> Public Law 93-233, enacted December 31, 1973.

<sup>7</sup> Public Law 93-368, enacted August 7, 1974.

<sup>8</sup> Subject to automatic provisions, see table IV.A2

<sup>9</sup> Public Law 98-21, enacted April 20, 1983.

<sup>10</sup> Public Law 100-203, enacted December 22, 1987.

*Act*

## **5. Exclusions from Income**

### **a. General Exclusions**

**1972**

*Public Law 92-603,  
enacted October 30*

The first \$60 of earned or unearned income per calendar quarter for an individual or couple; the next \$195 and one-half the remainder of quarterly earned income. Unearned income includes Social Security benefits, other government or private pensions, veterans' benefits, and workers' compensation.

**1981**

*Public Law 97-35,  
enacted August 13*

The first \$20 of earned or unearned income per month for an individual or couple; the next \$65 and one-half the remainder of monthly earned income. Unearned income includes Social Security benefits, other government or private pensions, veterans' benefits, and workers' compensation.

### **b. Special Exclusions**

**1972**

*Public Law 92-603,  
enacted October 30*

Any amount of tax rebate issued to an individual by any public agency that is based on either real property or food purchase taxes.

Grants, scholarships, and fellowships used to pay tuition and fees at an educational institution.

Income required for achieving an approved self-support plan for blind or disabled persons.

Work expenses of blind persons.

For blind persons transferred from State programs to SSI, income exclusions equal to the maximum amount permitted as of October 1972 under the State programs.

Irregularly or infrequently received income totaling \$60 or less of unearned income and \$30 of earned income in a calendar quarter.

Payment for foster care of ineligible child residing in recipient's home through placement by a public or private nonprofit child care agency.

One-third of any payment received from an absent parent for the support of a child eligible for SSI.

Certain earnings of a blind or disabled child under age 22 regularly attending an educational institution.

State or local government cash payments based on need and designed to supplement SSI payments.

**1976**

*Public Law 94-331,  
enacted June 30*

Disaster assistance from income for 9 months and application of one-third reduction for 6 months for certain victims of disasters.

*Public Law 94-566,  
enacted October 20*

Any assistance based on need (including vendor payments) made to or on behalf of SSI recipients, which is paid and wholly funded by State or local governments.

The value of assistance provided under certain Federal housing programs.

Act

**1977**

*Public Law 95-113,  
enacted September 29*

Food stamps, Federally donated food, and the value of free or reduced price food for women and children under the Child Nutrition Act and National School Lunch Act.

*Public Law 95-171,  
enacted November 12*

Provisions for exclusions for support and maintenance under the Disaster Relief and Emergency Assistance Act of 1974 extended on a permanent basis. Effective January 1, 1978.

**1980**

*Public Law 96-222,  
enacted April 1*

Earned income tax credit treated as earned income (temporarily excluded from 1975 through 1980).

*Public Law 96-265,  
enacted June 9*

Remunerations received in sheltered workshops and work activity centers are considered earned income and qualify for earned income disregards.

Impairment-related work expenses paid by the individual (including cost for attendant care, medical equipment, drugs, and services necessary to control an impairment) are deducted from earnings when determining if an individual is engaging in substantial gainful activity. Impairment-related work expenses are excluded in calculating income for benefit purposes if initial eligibility for benefits exists on the basis of countable income without applying this exclusion.

**1981**

*Public Law 97-35,  
enacted August 13*

Modifies provision under which irregularly or infrequently received income is excluded to conform to change from quarterly to monthly accounting; amounts excludable: \$20 or less of unearned income and \$10 of earned income in a month.

**1982**

*Public Law 97-377,  
enacted December 21*

From December 18, 1982, to September 30, 1983, certain home energy assistance payments are excluded if a State agency certified that they are based on need.

**1983**

*Public Law 97-424,  
enacted January 6*

Support or maintenance assistance (including home energy assistance) provided in kind by a nonprofit organization or in cash or in kind by certain providers of home energy is disregarded if the State determines that the assistance is based on need. Provision is applicable through September 1984.

Certain home energy assistance payments are excluded if a State agency certified that the assistance is based on need. Provision is applicable through June 1985.

**1984**

*Public Law 98-369,  
enacted July 18*

The 1983 provisions for support and maintenance and home energy assistance continue to October 1, 1987.

**1986**

*Public Law 99-498,  
enacted October 17*

Educational assistance used for educational expenses under the Higher Education Act of 1965 as amended.

Act

**1987**

*Public Law 100-203,  
enacted December 22*

The 1983 provisions for support and maintenance and home energy assistance made permanent.

Death payments (for example, proceeds from life insurance) from SSI income determinations to the extent they were spent on last illness and burial.

Modifies the 1982 resource exclusion for burial funds to extend the exclusion to any burial fund of \$1,500 or less maintained separately from all other assets, thereby allowing the interest on the funds to be excluded from income if retained in the fund.

**1988**

*Public Law 100-383,  
enacted August 10*

Restitution payments made to Japanese internees and relocated Aleutians.

**1989**

*Public Law 101-239,  
enacted December 19*

Interest on agreements representing the purchase of an excluded burial space.

Payments from the Agent Orange Settlement.

Value of a ticket for domestic travel received as a gift and not cashed.

**1990**

*Public Law 101-508,  
enacted November 5*

Earned income tax credit (including the child health insurance portion).

Payments received from a State-administered fund established to aid victims of crime.

Impairment-related work expenses excluded from income in determining initial eligibility for benefits.

Payments received as State or local government relocation assistance.

Payments received under the Radiation Exposure Compensation Act.

Redefines as earned income, royalties earned in connection with any publication of the individual's work, and honoraria received for services rendered (previously defined as unearned income).

**1993**

*Public Law 103-66,  
enacted August 10*

Hostile fire pay to members of the uniformed services.

Payments received as State or local government relocation assistance made permanent.

**1994**

*Public Law 103-286,  
enacted August 1*

Payments to victims of Nazi persecution.

**1998**

*Public Law 105-285,  
enacted October 27*

Funds made available to an SSI recipient by a State or local government or a nonprofit organization as part of the Individual Development Account demonstration project.

*Public Law 105-306,  
enacted October 28*

In-kind gifts to children with life-threatening conditions by tax-exempt organizations not converted to cash.

The first \$2,000 annually of cash gifts by tax-exempt organizations to, or for the benefit of, individuals under age 18 with life-threatening conditions.

*Public Law 105-369,  
enacted November 12*

Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998.

Act

**1972**

Public Law 92-603,  
enacted October 30

**1984**

Public Law 98-369,  
enacted July 18

**1999**

Public Law 106-169,  
enacted December 14

**1972**

Public Law 92-603,  
enacted October 30

**1976**

Public Law 94-569,  
enacted October 20

**1977**

Public Law 95-171,  
enacted November 12

**1979**

**1980**

Public Law 96-611,  
enacted December 28

**1982**

Public Law 97-248,  
enacted September 3

**6. Limits and Exclusions from Resources**

Countable resources limited to \$1,500 or less for an individual and to \$2,250 or less for a couple.

Limit on countable resources raised by \$100 a year for individuals and \$150 a year for couples, beginning in calendar year 1985 through 1989. The respective limits would become \$2,000 for an individual and \$3,000 for a couple in 1989 and thereafter.

Includes generally in the countable resources of an individual the assets of a trust which could be used for the benefit of the individual or spouse.

**a. General Exclusions**

A home of reasonable value—established *by regulation* as not exceeding a fair-market value of \$25,000 (\$35,000 in Alaska and Hawaii).

Personal effects and household goods of reasonable value established *by regulation* as not exceeding a total market value of \$1,500.

An automobile of reasonable value—established *by regulation* as not exceeding a market value of \$1,200.

An automobile may be excluded, regardless of value, if the individual's household uses it for employment or medical treatment, or if it is modified to be operated by or for transportation of a handicapped person.

Life insurance with face value of \$1,500 or less.

The recipient's home, regardless of value, is excluded from consideration in determining resources.

Assistance received under the Disaster Relief and Emergency Assistance Act of 1974 for 9 months following receipt.

Reasonable value for an automobile increased *by regulation* to \$4,500 of current-market value; personal goods and household effects increased to \$2,000 of equity value.

Assets transferred for less than fair market value for the purpose of establishing eligibility for benefits under the Social Security Act are counted as resources for 24 months after transfer.

The value, within prescribed limits, of a burial space for the recipient, spouse, and immediate family is excluded. In addition, \$1,500 each (less the value of already excluded life insurance and any amount in an irrevocable burial arrangement) may be set aside for the burial of the recipient and spouse, if held in separately identifiable burial funds and if inclusion of any of the burial funds in countable resources would cause the resource limit to be exceeded.

Act

**1984**

*Public Law 98-369,  
enacted July 18*

The unspent portion of any retroactive title II or title XVI payment is excluded for 6 months following its receipt, and the individual must be given written notice of the time limit on the exclusion.

**1985**

*Regulations* permit exclusion, regardless of value, of an automobile needed for essential transportation or modified for a handicapped person. The \$4,500 current market value limit applies only if no automobile could be excluded based on the nature of its use.

**1987**

*Public Law 100-203,  
enacted December 22*

Provides for suspension of the 1980 transfer of assets provision, in any month that it is determined that undue hardship would result.

Real property that cannot be sold because it is jointly owned; its sale would cause the other owner(s) undue hardship due to loss of housing; its sale is barred by a legal impediment; or, the owner's reasonable efforts to sell have been unsuccessful.

Temporarily extends the 1984 exclusion of retroactive title II and title XVI benefits from 6 months to 9 months (the longer exclusion applies to benefits paid in fiscal years 1988 and 1989).

Allows the exclusion of burial funds, as described above, regardless of whether or not counting any portion of those funds would result in excess resources.

**1988**

*Public Law 100-360,  
enacted July 1*

Removes the transfer-of-assets penalty for transfers made July 1, 1988, or later.

*Public Law 100-707,  
enacted November 23*

Removes the time limit for exclusion of disaster assistance.

**b. Special Exclusions**

**1972**

*Public Law 92-603,  
enacted October 30*

Assets of a blind or disabled individual that are necessary to an approved plan of self-support.

Tools and other property essential to self-support (PESS), within reasonable limits. Shares of nonnegotiable stock in regional or village corporations held by natives of Alaska.

For persons transferred from State programs to SSI, resource exclusions equal to the maximum amount permitted as of October 1972 under the State program.

**1988**

*Public Law 100-383,  
enacted August 10*

Restitution payments made to Japanese internees and relocated Aleutians.

**1989**

*Public Law 101-239,  
enacted December 19*

Specifies that no limitation can be placed on property essential to self-support used in a trade or business, or by an individual as an employee (including the tools of a tradesperson and the machinery and livestock of a farmer).

Payments from the Agent Orange Settlement.

*Act*

**1990**

*Public Law 101-508,  
enacted November 5*

Earned income tax credit excluded for the month following the month the credit is received.

Payments received from a State-administered fund established to aid victims of crime excluded for a 9-month period. Individual not required to file for such benefits.

Payments received as State or local government relocation assistance excluded for a 9-month period. (The provision expired 3 years after its effective date.)

Payments received under the Radiation Exposure Compensation Act.

**1993**

*Public Law 103-66,  
enacted August 10*

Makes permanent the 9-month exclusion of payments received as State or local government relocation assistance.

**1994**

*Public Law 103-286,  
enacted August 1*

Payments to victims of Nazi persecution.

**1996**

*Public Law 104-193,  
enacted August 22*

Dedicated financial institution accounts required to be established for large past-due benefits for disabled individuals under age 18 with a representative payee.

**1998**

*Public Law 105-285,  
enacted October 27*

Funds made available to an SSI recipient by a State or local government or a nonprofit organization as part of the Individual Development Account demonstration project.

*Public Law 105-306,  
enacted October 28*

In-kind gifts to children with life-threatening conditions by tax-exempt organizations not converted to cash.

The first \$2,000 annually of cash gifts by tax-exempt organizations to, or for the benefit of, individuals under age 18 with life-threatening conditions.

*Public Law 105-369,  
enacted November 12*

Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998.

**7. Presumptive and Emergency Payments and Interim Assistance Reimbursement**

*a. Presumptive Payments*

**1972**

*Public Law 92-603,  
enacted October 30*

A person applying on the basis of disability who meets all other criteria of eligibility, and is likely to be disabled, may receive payments for 3 months pending the disability determination.

**1976**

*Public Law 94-569,  
enacted October 20*

Presumptive payment provision was extended to persons applying on the basis of blindness.

**1990**

*Public Law 101-508,  
enacted November 5*

Extends the period for receipt of payments to 6 months.

*Act*

**1972**

*Public Law 92-603,  
enacted October 30*

**1987**

*Public Law 100-203,  
enacted December 22*

**1996**

*Public Law 104-193,  
enacted August 22*

**1974**

*Public Law 93-368,  
enacted August 7*

**1976**

*Public Law 94-365,  
enacted July 14*

**1987**

*Public Law 100-203,  
enacted December 22*

**1972**

*Public Law 92-603,  
enacted October 30*

**1976**

*Public Law 94-566,  
enacted October 20*

**b. Emergency Advance Payments**

Any applicant who can be presumed to meet the criteria of eligibility, but has not yet been determined eligible, and who is faced with a financial emergency may receive an immediate cash advance of up to \$100.

Increases the maximum emergency advance payment amount to the maximum amount of the regular Federal SSI monthly benefit rate, plus, if any, the Federally-administered State supplementary payment.

May be made if applicants have a financial emergency in the month of application before the month that all eligibility requirements are met. These advance payments must be repaid within 6 months.

**c. Interim Assistance Reimbursement**

SSA may enter into agreements with the States to repay them directly for assistance payments made to an SSI applicant while his/her claim is being adjudicated. The repayment is made from the first check due to the individual. This legislation expires June 30, 1976.

The authority to repay the State for interim assistance is made permanent.

Extends interim assistance reimbursement to situations in which payments are made by States or political subdivisions to persons whose SSI payments were suspended or terminated and who subsequently are found to be eligible for such benefits. Also clarifies that the payment from which the interim assistance reimbursement is paid must be the first payment of benefits relating to the interim period.

**8. Medicaid Eligibility**

States can provide Medicaid coverage to all recipients of SSI payments. Alternatively, they can limit coverage by applying more restrictive criteria from the State Medicaid plan in effect on January 1, 1972.

States can accept SSA determination of eligibility, or make their own determination.

Preserves the Medicaid eligibility of recipients who become ineligible for cash SSI payments due to the cost-of-living increases in Social Security benefits.

Act

**1980**

*Public Law 96-265,  
enacted June 9*

Blind or disabled recipients under age 65 no longer eligible for either regular or special SSI payments because of their earnings may retain SSI recipient status for Medicaid eligibility purposes under the following conditions: (1) they continue to have the disabling impairment, (2) they meet all nondisability eligibility criteria except for earned income, (3) they would be seriously inhibited from continuing employment without Medicaid services, and (4) their earnings are insufficient to provide a reasonable equivalent of SSI payments and Medicaid.

In States that do not provide Medicaid coverage categorically to all SSI recipients, qualification for Medicaid benefits depends on the State's specific eligibility and program requirements.

The Medicaid provision of the 1980 legislation was in effect from January 1, 1981, through December 31, 1983. Under a 1-year demonstration project, beginning January 1, 1984, this provision was continued for persons already eligible for regular or special SSI payments or for retention of Medicaid eligibility.

**1984**

*Public Law 98-460,  
enacted October 9*

Medicaid provision of 1980 legislation extended through June 30, 1987 (retroactive to January 1, 1984).

**1986**

*Public Law 99-272,  
enacted April 7*

Restores Medicaid eligibility for some disabled widow(er)s who became ineligible for SSI when their title II benefits increased in 1984 because of a change in the Social Security disabled widow(er)s benefits reduction factor.

*Public Law 99-643,  
enacted November 10*

The SSI recipient status for Medicaid eligibility provision of the 1980 amendments is made permanent.

Effective July 1, 1987, certain expenses that would be lost if SSI eligibility was discontinued may be excluded from earnings when determining sufficiency of earnings to establish SSI recipient status eligibility for Medicaid purposes:

- Impairment-related work expenses of disabled persons,
- Work expenses of blind persons,
- Income required for achieving an approved self-support plan, and
- The value of publicly funded attendant care services.

Effective July 1, 1987, preserves the Medicaid eligibility of recipients who become ineligible for SSI payments because of entitlement to, or an increase in, Social Security disabled adult child benefits on or after the effective date.

Effective July 1, 1987, requires all States to provide Medicaid coverage for recipients in special SSI status (either receiving special SSI payments or in the special recipient status described for 1980) if they received Medicaid coverage the month before special SSI status.

**1987**

*Public Law 100-203,  
enacted December 22*

Effective July 1, 1988, restores or preserves the Medicaid eligibility of persons aged 60 or older who are eligible for Social Security benefits as widows or widowers (but not eligible for Medicare) and who become ineligible for SSI payments or State supplementation because of the receipt of old-age or survivors insurance benefits under Social Security.

Act

**1990**

*Public Law 101-508,  
enacted November 5*

Age limit for retention of SSI recipient status for Medicaid eligibility purposes is (1980 and subsequent work incentive provisions, above) eliminated.

Preserves the Medicaid eligibility of SSI recipients who become ineligible for payments when they become entitled to Social Security disabled widow(er)s benefits following the revised definition used for their disability.

**1997**

*Public Law 105-33,  
enacted August 5*

Requires States to continue Medicaid coverage for disabled children who were receiving SSI payments as of August 22, 1996 and would have continued to be eligible for such payments except that their eligibility terminated because they did not meet the revised SSI childhood disability standard established under Public Law 104-193.

**9. State Supplementation**

**1972**

*Public Law 92-603,  
enacted October 30*

States are given the option of providing supplementary payments both to recipients transferred from the State program and to those newly eligible for SSI.

States may either administer the payments themselves or have the Social Security Administration make payments on their behalf. When State supplementary payments are Federally-administered, the Social Security Administration makes eligibility and payment determinations for the State and assumes administrative costs.

“Hold harmless” protection, which limits a State’s fiscal liability to its share of OAA, AB, and APTD expenditures for calendar year 1972, is provided to States electing Federal administration of their supplementary plans. This provision applies only to supplementary payments that do not, on the average, exceed a State’s “adjusted payment level.” (The adjusted payment level is the average of the payments that individuals with no other income received in January 1972; it may include the bonus value of food stamps. Adjustments are provided for payments that had been below State standards.)

**1973**

*Public Law 93-66,  
enacted July 9*

Provision is made for mandatory State supplementation as assurance against reduction of income for persons who received State assistance in December 1973 and were transferred to SSI. These supplementary payments must equal the difference between (1) the amount of the State assistance payment that the individual received in December 1973 plus other income and (2) his/her Federal SSI payment plus other income.

**1976**

*Public Law 94-585,  
enacted October 21*

After June 30, 1977, when the Federal SSI payment level is increased by a cost-of-living increase, such an increase will be disregarded in calculating the “hold harmless” amount.

Requires States to maintain State supplementation payments at the level of December 1976 (“maintenance of payments”) or to continue to pay in supplements the same total annual amounts (“maintenance of expenditures”) when the Federal SSI payment level is increased and thereby pass through any increases in Federal benefits without reducing State supplements.

**1982**

*Public Law 97-248,  
enacted September 3*

Begins a 3-year phase out of “hold harmless” protection. Effective with fiscal year 1985, Wisconsin and Hawaii (the only remaining “hold harmless” States) assumed the full cost of their supplementary payments.

Act

**1983**

*Public Law 98-21,  
enacted April 20*

Federal pass-through law is adjusted (1) by substituting the State supplementary payment levels in effect in March 1983 for those in effect in December 1976 as the levels that States must maintain in complying with the pass-through requirements, and (2) with regard to the \$20 (individual) and \$30 (couple) increase in the Federal SSI standard in July 1983, by requiring States to pass through only as much as would have been required if the SSI cost-of-living adjustment had been made in July 1983.

**1987**

*Public Law 100-203,  
enacted December 22*

Provides for Federal administration of State supplements to residents of medical institutions.

Provides for required pass through of \$5 increase in Federal rate for persons whose care in institutions is paid in substantial part by Medicaid.

**1993**

*Public Law 103-66,  
enacted August 10*

Requires States to pay fees for Federal administration of their State supplementation payments. The fees are \$1.67 for each monthly supplementary payment in fiscal year 1994, \$3.33 in fiscal year 1995, and \$5.00 in fiscal year 1996. Fees for subsequent fiscal years will be \$5.00 or another amount determined by the Commissioner to be appropriate. The Commissioner may charge the States additional fees for services they request that are beyond the level customarily provided in administering State supplementary payments.

**1997**

*Public Law 105-33,  
enacted August 5*

Revises the schedule of per-check fees for Federal administration of State supplementation for fiscal years 1998 (\$6.20) through 2002 (\$8.50) and provides a formula for determining the fee beyond fiscal year 2002. The scheduled fees for fiscal years 1999 and 2000 are \$7.60 and \$7.80, respectively.

**10. Overpayment Recovery**

**1984**

*Public Law 98-369,  
enacted July 18*

Limits the rate of recovering overpayments from monthly payments to the lesser of: (1) the monthly payment, or (2) 10 percent of a recipient's monthly income. Permits a higher or lower adjustment at the request of the recipient subject to the agreement of the Commissioner. The limit does not apply if fraud, willful misrepresentation, or concealment of material information was involved on the part of the recipient or spouse in connection with the overpayment.

Waives recovery of certain overpayments due to amount of excess resources of \$50 or less.

Provides for the recovery of overpayments from tax refunds.

**1988**

*Public Law 100-485,  
enacted October 13*

Extends the authority to recover overpayments from tax refunds.

**1998**

*Public Law 105-306,  
enacted October 28*

Authorizes SSA to collect SSI overpayments by offsetting Social Security benefits, with a maximum monthly offset of no more than 10 percent of the Social Security benefit.

**1999**

*Public Law 106-169,  
enacted December 14*

Makes representative payees liable for an SSI overpayment caused by a payment made to a recipient who has died, and requires SSA to establish an overpayment control record under the representative payee's Social Security number.

Requires SSA to recover SSI overpayments from SSI lump-sum amounts by withholding at least 50 percent of the lump-sum payment or the amount of the overpayment, whichever is less.

Extends all of the debt collection authorities currently available for the collection of overpayments under the OASDI program to the SSI program.

## ***B. INCOME AND RESOURCE EXCLUSIONS***

### **1. Earned Income Exclusions**

- Any refund of Federal income taxes received under section 32 of the Internal Revenue Code (relating to earned income tax credit) and any payment received under section 3507 of the Internal Revenue Code (relating to advance payment of earned income tax credit);
- Up to \$10 of earned income in a month if it is infrequent or irregular, that is, if it is received only once in a calendar quarter from a single source or if its receipt cannot reasonably be expected (If the total amount of the infrequent or irregular income exceeds \$10, this exclusion cannot be used.);
- Up to \$400 per month but not more than \$1,620 in a calendar year received by a blind or disabled child who is a student regularly attending school;
- Any portion of the monthly \$20 exclusion for unearned income that has not been used;
- \$65 of earned income in a month;
- Amounts used to pay impairment-related work expenses if the recipient is disabled (but not blind) and under age 65 or is disabled (but not blind) and receiving SSI (or disability payments under a former State plan) before age 65;
- One-half of remaining earned income in a month;
- Earned income used to meet any expenses reasonably attributable to the earning of the income if the recipient is blind and under age 65 or if he/she received SSI as a blind person prior to age 65;
- Any earned income received and used to fulfill an approved plan to achieve self-support if the recipient is blind or disabled and under age 65 or is blind or disabled and received SSI as a blind or disabled individual in the month before he/she attained age 65; and
- Some Federal laws other than the Social Security Act provide for the exclusion of earned income for SSI purposes. For the most part, the income received under these laws relates to assistance received in the form of food, housing and utilities, educational and employment benefits or benefits derived from being a member of a Native American tribe. A complete list of laws which exclude earned income under SSI can be found in the Federal Regulations Appendix to Subpart K 20 CFR 416.

### **2. Unearned Income Exclusions**

- Any public agency's refund of taxes on real property or food;
- Assistance based on need which is wholly funded by a State or one of its political subdivisions. This includes State supplementation of Federal SSI benefits but does not include payments under a Federal/State grant program such as Temporary Assistance for Needy Families (TANF);
- Any portion of a grant, scholarship or fellowship used for paying tuition, fees or other necessary educational expenses. Portions set aside for food, clothing or shelter are counted;
- Food raised by a household if it is consumed by that household;
- Assistance received under the Disaster Relief and Emergency Assistance Act and assistance provided under any Federal statute because of a catastrophe which the President of the United States declares to be a major disaster;
- Up to \$20 of unearned income in a month if it is infrequent or irregular; that is, if a type of unearned income is received only once during a calendar quarter from a single source or if it cannot reasonably be expected;

- Any unearned income received and used to fulfill an approved plan to achieve self-support if the recipient is blind or disabled and under age 65 or is blind or disabled and received SSI as a blind or disabled individual in the month before he/she attained age 65;
- Periodic payments made by a State under a program established before July 1, 1973, and based solely on the recipient's length of residence and attainment of age 65;
- Payments for providing foster care to an ineligible child who was placed in the recipient's home by a public or private nonprofit child placement or child care agency;
- Any interest earned on excluded burial funds and any appreciation in the value of an excluded burial arrangement which are left to accumulate and become part of the separately identifiable burial fund;
- Certain support and maintenance assistance provided in the form of home energy assistance;
- One-third of support payments made by an absent parent if the recipient is a child;
- The first \$20 of unearned income in a month other than income in the form of in-kind support and maintenance received in the household of another and income based on need;
- The value of any assistance paid with respect to a dwelling unit under the United States Housing Act of 1937, the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, title V of the Housing Act of 1949, or section 202(h) of the Housing Act of 1959;
- Any interest accrued on and left to accumulate as part of the value of an excluded burial space purchase agreement (after April 1, 1990);
- The value of any commercial transportation ticket, for travel by the recipient or his/her spouse among the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa and the Northern Mariana Islands, which is received as a gift and is not converted to cash;
- Payments received from a fund established by a State to aid victims of crime;
- Relocation assistance provided by a State or local government that is comparable to assistance provided under title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
- Hostile fire pay received from one of the uniformed services pursuant to 37 U.S.C. 310;
- Interest or other earnings on a dedicated account excluded from resources;
- In-kind gifts not converted to cash and the first \$2,000 annually of cash gifts made by tax-exempt organizations, such as the Make-A-Wish Foundation, to, or for the benefit of, individuals under age 18 with life-threatening conditions;
- Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998;
- TANF funds made available to an SSI recipient as part of an Individual Development Account (IDA);
- Deposits made by sponsoring nonprofit organization or State or local government into an IDA under the "Assets for Independence Act" IDA demonstration project; and
- Unearned income excluded by other Federal laws. See Federal Regulations Appendix to Subpart K 20 CFR 416.

### 3. Resource Exclusions

- The home (including the land appertaining thereto);
- Household goods and personal effects to the extent that their total value does not exceed \$2,000;
- An automobile may be totally excluded if: (1) it is necessary for employment; (2) it is necessary for the medical treatment of a specific or regular medical problem; (3) it is modified for the operation by or transportation of, a handicapped individual; or (4) it is necessary to perform essential daily activities. If the automobile does not meet any of the above requirements, it may be excluded to the extent that its current-market value does not exceed \$4,500;
- Property of a trade or business which is essential to the means of self-support;
- Nonbusiness property which is essential to the means of self-support;
- Resources of a blind or disabled individual which are necessary to fulfill an approved plan for achieving self-support;
- Stock in regional or village corporations held by natives of Alaska during the 20-year period in which the stock is inalienable pursuant to the Alaska Native Claims Settlement Act;
- Life insurance owned by an individual (and spouse, if any) provided that all life insurance on any person does not exceed a face value of \$1,500;
- Restricted allotted Indian lands;
- Disaster relief assistance;
- Burial spaces and certain funds up to \$1,500 for burial expenses;
- Title XVI or title II retroactive payments (for 6 months following receipt);
- Housing assistance;
- Refunds of Federal income taxes and advances made by an employer relating to an earned income tax credit, (for the month following receipt);
- Payments received as compensation for expenses incurred or losses suffered as a result of a crime (for 9 months);
- Relocation assistance from a State or local government (for 9 months);
- Dedicated financial institution accounts for disabled children;
- In-kind gifts not converted to cash and the first \$2,000 annually of cash gifts made by tax-exempt organizations, such as the Make-A-Wish Foundation, to, or for the benefit of, individuals under 18 with life-threatening conditions;
- Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998;
- TANF funds made available to an SSI recipient as part of an IDA;
- Amounts placed in an IDA by a sponsoring nonprofit organization or State or local government under the "Assets for Independence Act" IDA demonstration project (Deposits made by the individual owning the account are not excluded.);
- Certain trusts (e.g., those established by will or those that will repay the State, upon the death of the beneficiary, for the costs of medical assistance provided to that individual); and
- Payments or benefits provided under a Federal statute other than title XVI of the Social Security Act where exclusion is provided by such statute.

### **C. HISTORICAL ALLOWANCE DATA**

At the end of 1999, 80 percent of SSI recipients were receiving benefits based on a determination of disability. Claims are filed at a local Social Security office and claims requiring an evaluation of disability are sent to the State Disability Determination Service (DDS) for a decision. Initial DDS decisions that are unfavorable to the applicant may be appealed. Until recently, all appeals were initiated at the DDS level with a request for reconsideration of that initial denial. Persons denied at the reconsideration level could then apply to the Office of Hearings and Appeals (OHA) for a hearing before an Administrative Law Judge (ALJ), and if dissatisfied with the hearing decision could request a review by the Appeals Council. Those dissatisfied with the Appeals Council's action could seek further relief via the Federal court system. This appeals process is still in effect for the majority of new applicants. However, in recent years SSA has conducted small pilots testing revisions to this process and implemented a modification of this process in 10 prototype States for applications filed October 1, 1999 and later. Under this revised process appeals of initial denials are made directly to OHA, thereby eliminating the reconsideration step. The options for appeal beyond the OHA level remain unchanged.

Such a process of application and appeal can, in some cases, span several years. However, before 1993, the only data available on the disability determination process resided in files compiled at each separate stage of the process and only captured various point-in-time snapshots. A complete picture of the disability determination process can be fully understood only by compiling a longitudinal database from administrative records at all levels of appeal. Beginning in 1993, such a longitudinal database (the "Disability Research File") was constructed by the Division of Disability Program Information and Studies within SSA's Office of Disability to assist the agency in understanding and managing this process. In the process of constructing this database, some problems were encountered due to inconsistencies in the data collected from all the respective levels of appeal. The following sections present some additional details and qualifications essential to a complete understanding of the resulting data. Following these technical notes is a table based on the Disability Research File showing the latest available summary of results on disability determinations under title XVI.

#### **1. Technical Notes on the Disability Research File**

*Methods used to build the title XVI Disability Research File*—The "base" file for the title XVI research file is the Supplemental Security Record (SSR). This "base" file is matched against records from various other administrative sources, including transactions from the disability determination (SSA-831) files, Social Security number identification records and earnings data, and OHA case control data.

The process used to build this research file is cumbersome, involving more than 160 steps, and generally requiring about 4 months to complete. Much of this complexity flows from the fact that the file is assembled based on filing date cohorts, even though many of the source files do not contain a filing date. The three most recent calendar year cohorts are completely reassembled from the basic data sources. Older calendar year cohorts are updated to reflect activity since the last time the file was built. Since the process is so time consuming, the research file is updated only annually (usually beginning in July). Therefore, research file data are not yet available for claims filed in 1999.

*Methods used for estimating results (through February 2000) for claims filed in 1999*—Although decision counts are available for 1999 filers (from many of the "source" files), those counts do not translate directly into the claims/appeals counts included in the following tables, due to the consolidation of multiple transactions (and application of claims-based tolerance rules) which occurs when the research file is built.

To prepare preliminary estimates of results (through February 2000) for 1999 filers, we started from the latest available transaction data, such as the SSA-831 data, and took into account recent years' experience

of the relationship between corresponding earlier transaction data and the resulting claims/appeals data in completed research files. We also considered claims counts from an extract file from the SSR. While we believe that the methods used are reasonable, it must be emphasized that the resulting estimates may prove to be of limited reliability, especially in light of the fact that the estimates give results only through February 2000, whereas the final research files will reflect information through June 2000. Actual data for 1999 will be available to replace these estimates in the 2001 Annual Report.

## 2. General Considerations

Some general points that apply to tables V.C1 and V.C2 are as follows:

- Data for 1988-98 filers are as of June 1999. Results for those years' filers have been updated to include OHA results through August 1999.
- Data for 1999 filers are preliminary estimates as of February 2000, and reflect larger numbers of claims still pending. February 2000 data on number of claims appealed may be too low because larger numbers of claimants are still within the period allowed for filing an appeal (i.e., larger numbers of recently denied claimants who have not yet filed an appeal may appeal before the time limit runs out).
- Remaining appeals will affect the results. Since allowances are generally processed more quickly than denials, we expect that the percent allowed will ultimately be lower as all cases are processed.
- Computations of overall allowance rates exclude cases which have been appealed and for which a decision is pending.
- The data assume existence of a reconsideration denial for all cases appealed to OHA. However, in certain pilot activities and under the revised process introduced October 1, 1999 in 10 prototype States, initial denials can be appealed directly to OHA without a separate reconsideration step. Since the process is so new, the number of such cases that have been appealed to OHA is still relatively small. In these tables those cases are counted as appeals and denials at the reconsideration level as well as appeals to beyond the reconsideration level.

**Table V.C1.—Disabled Adult Claims: Disposition of Applications for SSI Disability Benefits by Year of Filing <sup>1</sup> and Level of Decision**

Calendar year of filing	Total claims filed	Initial decisions					
		Pending	Allowances		Denials	Appeals to reconsideration	
			Number	Percent <sup>2</sup>		Number	Percent <sup>3</sup>
1988	946,603	—	272,204	28.8	674,399	265,151	39.3
1989	969,218	—	292,044	30.1	677,174	274,823	40.6
1990	1,099,805	—	347,823	31.6	751,982	320,207	42.6
1991	1,288,329	—	415,336	32.2	872,993	383,667	43.9
1992	1,415,624	—	436,888	30.9	978,736	433,244	44.3
1993	1,503,276	—	416,300	27.7	1,086,976	485,164	44.6
1994	1,436,958	—	353,995	24.6	1,082,963	482,533	44.6
1995	1,318,416	—	323,084	24.5	995,332	439,166	44.1
1996	1,247,926	—	305,351	24.5	942,575	406,425	43.1
1997	1,108,754	—	292,940	26.4	815,814	354,213	43.4
1998	1,102,855	15,279	312,423	28.7	775,153	315,021	40.6
1999	1,099,200	156,800	304,900	32.4	637,500	223,400	35.0

Calendar year of filing	Reconsiderations						Appeals beyond reconsideration <sup>4</sup>			
	Pending	Allowances		Denials	Appeals to beyond reconsideration		Pending <sup>6</sup>	Allowances		
		Number	Percent <sup>2</sup>		Number <sup>5</sup>	Percent <sup>3</sup>		Number	Percent <sup>7</sup>	Denials <sup>8</sup>
1988	—	38,385	14.5	226,766	140,663	62.0	—	82,414	58.6	58,249
1989	—	43,505	15.8	231,318	146,082	63.2	—	90,169	61.7	55,913
1990	—	52,055	16.3	268,152	175,512	65.5	—	109,094	62.2	66,418
1991	—	59,158	15.4	324,509	221,716	68.3	—	139,656	63.0	82,060
1992	—	58,819	13.6	374,425	261,846	69.9	1,753	158,892	61.1	101,201
1993	—	57,939	11.9	427,225	297,059	69.5	4,294	169,565	57.9	123,200
1994	—	55,830	11.6	426,703	295,692	69.3	7,235	162,647	56.4	125,810
1995	—	51,703	11.8	387,463	266,214	68.7	13,911	139,695	55.4	112,608
1996	—	49,391	12.2	357,034	243,952	68.3	31,525	124,362	58.5	88,065
1997	—	47,000	13.3	307,213	214,792	69.9	48,610	101,764	61.2	64,418
1998	32,407	36,570	12.9	246,044	159,235	64.7	97,946	38,862	63.4	22,427
1999	51,000	22,800	13.2	149,600	64,940	43.4	54,860	7,280	72.2	2,800

Calendar year of filing	Selected summary totals					
	Allowances at all levels		Allowances at all appeal levels		Denials after all appeals	
	Number	Percent <sup>9</sup>	Number	Percent <sup>10</sup>	Number	Percent <sup>10</sup>
1988	393,003	41.5	120,799	17.9	553,600	82.1
1989	425,718	43.9	133,674	19.7	543,500	80.3
1990	508,972	46.3	161,149	21.4	590,833	78.6
1991	614,150	47.7	198,814	22.8	674,179	77.2
1992	654,599	46.3	217,711	22.2	759,272	77.6
1993	643,804	42.9	227,504	20.9	855,178	78.7
1994	572,472	40.0	218,477	20.2	857,251	79.2
1995	514,482	39.4	191,398	19.2	790,023	79.4
1996	479,104	39.4	173,753	18.4	737,297	78.2
1997	441,704	41.7	148,764	18.2	618,440	75.8
1998	387,855	40.5	75,432	9.7	569,368	73.5
1999	334,980	40.0	30,080	4.7	501,560	78.7

<sup>1</sup> Data for claims filed in 1988-98 reflect results as of June 1999. The numbers of total claims filed for 1997 and 1998 are subject to change. Data for claims filed in 1999 are preliminary estimates as of February 2000. The ultimate number of allowances and denials are subject to change until all initial decisions have been completed and all appeals are final.

<sup>2</sup> Percentage of decisions at this level.

<sup>3</sup> Percentage of denials at this level appealed to next level.

<sup>4</sup> Includes cases appealed to the Office of Hearings and Appeals, as well as beyond OHA to the Federal courts.

<sup>5</sup> Number of persons appealing beyond the reconsideration level.

<sup>6</sup> Includes cases remanded to OHA from the Federal courts.

<sup>7</sup> Percentage of decisions at this level. For years where decisions are still pending, the preliminary percentage shown will ultimately be lower as all cases are processed. This is true since allowances are generally processed more quickly than denials.

<sup>8</sup> Includes denied claims where the final administrative action was a dismissal of an appeal request (e.g., the appeal was not filed timely or the applicant failed to appear at the scheduled hearing).

<sup>9</sup> Percentage of initial decisions excluding appealed cases pending decisions.

<sup>10</sup> Percentage of initial denials.

**Table V.C2.—Disabled Child Claims: Disposition of Applications for SSI Disability Benefits by Year of Filing <sup>1</sup> and Level of Decision**

Calendar year of filing	Total claims filed	Initial decisions					
		Pending	Allowances		Denials	Appeals to reconsideration	
			Number	Percent <sup>2</sup>		Number	Percent <sup>3</sup>
1991	250,962	—	148,220	59.1	102,742	24,702	24.0
1992	372,971	—	189,079	50.7	183,892	49,297	26.8
1993	496,131	—	212,268	42.8	283,863	75,967	26.8
1994	525,013	—	172,219	32.8	352,794	92,093	26.1
1995	487,730	—	144,231	29.6	343,499	86,841	25.3
1996	453,473	—	127,416	28.1	326,057	75,013	23.0
1997	332,085	—	106,737	32.1	225,348	50,949	22.6
1998	335,882	5,371	121,830	36.9	208,681	46,241	22.2
1999	339,900	49,400	121,200	41.7	169,300	31,770	18.8

Calendar year of filing	Reconsiderations				Appeals beyond reconsideration <sup>4</sup>					
	Pending	Allowances		Denials	Appeals to beyond reconsideration		Pending <sup>6</sup>	Allowances		Denials <sup>8</sup>
		Number	Percent <sup>2</sup>		Number <sup>5</sup>	Percent <sup>3</sup>		Number	Percent <sup>7</sup>	
1991	—	5,605	22.7	19,097	9,192	48.1	—	3,883	42.2	5,309
1992	—	9,463	19.2	39,834	19,889	49.9	162	7,514	38.1	12,213
1993	—	11,338	14.9	64,629	31,476	48.7	508	10,603	34.2	20,365
1994	—	11,332	12.3	80,761	38,678	47.9	1,226	12,807	34.2	24,645
1995	—	10,287	11.8	76,554	35,774	46.7	2,361	10,599	31.7	22,814
1996	—	9,363	12.5	65,650	28,057	42.7	4,334	8,209	34.6	15,514
1997	—	8,178	16.1	42,771	19,088	44.6	4,985	5,680	40.3	8,423
1998	4,979	6,331	15.3	34,931	14,201	40.7	9,358	2,022	41.8	2,821
1999	6,900	3,160	12.7	21,710	5,992	27.6	5,213	249	32.0	530

Calendar year of filing	Selected summary totals					
	Allowances at all levels		Allowances at all appeal levels		Denials after all appeals	
	Number	Percent <sup>9</sup>	Number	Percent <sup>10</sup>	Number	Percent <sup>10</sup>
1991	157,708	62.8	9,488	9.2	93,254	90.8
1992	206,056	55.3	16,977	9.2	166,753	90.7
1993	234,209	47.3	21,941	7.7	261,414	92.1
1994	196,358	37.5	24,139	6.8	327,429	92.8
1995	165,117	34.0	20,886	6.1	320,252	93.2
1996	144,988	32.3	17,572	5.4	304,151	93.3
1997	120,595	36.9	13,858	6.1	206,505	91.6
1998	130,183	41.2	8,353	4.0	185,991	89.1
1999	124,609	44.8	3,409	2.0	153,778	90.8

<sup>1</sup> Data for claims filed in 1991-98 reflect results as of June 1999. The numbers of total claims filed for 1997 and 1998 are subject to change. Data for claims filed in 1999 are preliminary estimates as of February 2000. The ultimate number of allowances and denials are subject to change until all initial decisions have been completed and all appeals are final.

<sup>2</sup> Percentage of decisions at this level.

<sup>3</sup> Percentage of denials at this level appealed to next level.

<sup>4</sup> Includes cases appealed to the Office of Hearings and Appeals, as well as beyond OHA to the Federal courts.

<sup>5</sup> Number of persons appealing beyond the reconsideration level.

<sup>6</sup> Includes cases remanded to OHA from the Federal courts.

<sup>7</sup> Percentage of decisions at this level. For years where decisions are still pending, the preliminary percentage shown will ultimately be lower as all cases are processed. This is true since allowances are generally processed more quickly than denials.

<sup>8</sup> Includes denied claims where the final administrative action was a dismissal of an appeal request (e.g., the appeal was not filed timely or the applicant failed to appear at the scheduled hearing).

<sup>9</sup> Percentage of initial decisions excluding appealed cases pending decisions.

<sup>10</sup> Percentage of initial denials.

**D. HISTORICAL REDETERMINATION AND CONTINUING DISABILITY REVIEW DATA****1. Redeterminations**

Redeterminations are reviews of all of the nonmedical factors of eligibility to determine whether a recipient is still eligible for SSI and still receiving the correct payment amount. There are two types of redeterminations: scheduled and unscheduled. Scheduled redeterminations are selected annually or once every 6 years depending on the likelihood of payment error in the case. Except for certain institutionalized individuals, all recipients are periodically scheduled for a redetermination. Unscheduled redeterminations are completed on an as needed basis when recipients report, or we discover, certain changes in circumstances that could affect the continuing SSI payment amount. The numbers of redeterminations completed are subject to some year-to-year fluctuation because of variation in the numbers of unscheduled redeterminations completed and in the numbers of scheduled redeterminations that were selected but not completed during the fiscal year due to the impact of other workload requirements on the field offices. When redeterminations cannot be completed in the fiscal year scheduled, they are carried over into the next fiscal year. Table V.D1 provides historical data on numbers of redeterminations completed by fiscal year.

**Table V.D1.—SSI Redeterminations Completed, Fiscal Years 1986-99**

[In thousands]

Fiscal year	Number of redeterminations
1986.....	2,278
1987.....	2,244
1988.....	1,997
1989.....	2,226
1990.....	2,103
1991.....	2,138
1992.....	2,321
1993.....	2,223
1994.....	<sup>1</sup> 1,900
1995.....	<sup>2</sup> 1,597
1996.....	1,763
1997.....	1,773
1998.....	1,853
1999.....	2,122

<sup>1</sup> Decrease in number of redeterminations completed in fiscal year 1994 due to low-error profile redeterminations not being completed from January through September 1994.

<sup>2</sup> Effective fiscal year 1995, approximately 200,000 fewer redeterminations were selected annually due to a change from a 3-year to a 6-year redetermination cycle for low-error profile cases.

During periods between scheduled redeterminations, SSA uses the limited issue process to detect situations that have the potential to affect the continuing eligibility of SSI recipients and SSI payment amounts. SSA conducts periodic computer matches between its own systems and the systems of other Federal and State agencies to determine if the income and resources information on SSI recipients' records is in conflict with data obtained from the other systems. Matches detecting conflicting information usually result in the posting of an identifier to the Supplemental Security Record of the SSI recipient. The case is then selected and scheduled for a field office review of the issue for which the indicator was posted. SSA develops over 800,000 limited issues annually.

**2. Continuing Disability Reviews**

Following enactment of the Social Security Disability Amendments of 1980, section 221(i) of the Social Security Act generally requires SSA to review the continuing eligibility of title II disabled beneficiaries at least every 3 years. A similar requirement was not put in place at that time for disabled title XVI recipi-

ents. Although the Committee on Finance of the Senate stated in its report on this legislation that the same continuing disability reviews (CDRs) procedures should be applied with respect to both the title II and title XVI programs, title XVI was not amended to accomplish this. In 1994 and again in 1996 legislation was enacted adding some mandates for the performance of CDRs under the SSI program.

Public Law 103-296 specified that during each of fiscal years 1996, 1997, and 1998, SSA was required to conduct CDRs on a minimum of 100,000 SSI recipients. In addition, during the same period, SSA was required to redetermine the SSI eligibility of at least one-third of all SSI child recipients who reach age 18 after April 1995 during the 1-year period following attainment of age 18. Such redeterminations for persons turning age 18 could count toward the 100,000 CDR requirement.

Public Law 104-193 extended the requirement of redetermination of SSI eligibility to all SSI child recipients who reach age 18, with such redetermination being based on an adult eligibility criteria. This law also added the requirement that a CDR be performed:

- At least once every 3 years for SSI recipients under age 18 who are eligible by reason of an impairment which is likely to improve, and
- Not later than 12 months after birth for recipients whose low birth weight is a contributing factor material to the determination of their disability unless the Commissioner determines that the impairment is not expected to improve within 12 months of the child's birth.

Public Law 105-33 gave SSA some additional flexibility in the scheduling of these categories of CDRs.

In order to handle the large CDR workload mandated under these various provisions, SSA developed, beginning in 1993, a process by which certain title II cases scheduled for a CDR would be screened using the results of a profiling process which included a mailer interview for some cases. In 1996 the profiling process was extended to title XVI adults who were scheduled for a CDR. The screening process resulted in the deferral of full medical reviews for 409,111 cases for which a scheduled title XVI CDR was processed in 1999.

For cases involving individuals who receive both title II and title XVI benefits, CDRs are typically initiated as title II CDRs with the results of the review affecting eligibility for benefits under both programs. Tables V.D2 and V.D3 present the latest available summary of results on CDRs of title XVI recipients performed under titles II and XVI since 1993. These tables include only cases for which a full medical review was conducted. In particular they do not include:

- Cases for which a mailer was completed, but for which a full medical review was deferred;
- CDRs initiated as the result of work activity on the part of the beneficiary/recipient; and
- Miscellaneous other CDRs processed by the State Disability Determination Services but not as part of the normal CDR scheduling process (such as voluntary and third party reports of medical improvement, post-transplant end-stage renal disease cases, and vocational rehabilitation reports).

In contrast with the allowance data presented in section V.C, the CDR data is tabulated on a cohort basis by the date of initial decision.

**Table V.D2.—SSI Disabled Adult Reviews: Disposition of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision <sup>1</sup> and Level of Decision**

Fiscal year of initial DDS decision	Initial decisions									
	Total initial DDS decisions		Continuations		Cessations	Appeals to reconsideration				
		Number	Percent <sup>2</sup>	Number		Percent <sup>3</sup>				
Reviews of concurrent title II/XVI cases initiated under title II										
1993	1,143	1,083	94.8		60		52	86.7		
1994	10,945	9,127	83.4		1,818		1,253	68.9		
1995	16,736	12,484	74.6		4,252		2,905	68.3		
1996	26,884	20,636	76.8		6,248		4,119	65.9		
1997	51,466	40,741	79.2		10,725		7,430	69.3		
1998	81,185	68,533	84.4		12,652		8,767	69.3		
1999	80,829	70,354	87.0		10,475		6,044	57.7		
Title XVI initiated reviews										
1993	—	—	—		—		—	—		
1994	—	—	—		—		—	—		
1995	4,287	3,277	76.4		1,010		665	65.8		
1996	55,025	46,273	84.1		8,752		6,146	70.2		
1997	69,557	57,662	82.9		11,895		8,831	74.2		
1998	75,071	64,829	86.4		10,242		7,347	71.7		
1999	140,430	125,079	89.1		15,351		10,295	67.1		
Total reviews, SSI disabled adults										
1993	1,143	1,083	94.8		60		52	86.7		
1994	10,945	9,127	83.4		1,818		1,253	68.9		
1995	21,023	15,761	75.0		5,262		3,570	67.8		
1996	81,909	66,909	81.7		15,000		10,265	68.4		
1997	121,023	98,403	81.3		22,620		16,261	71.9		
1998	156,256	133,362	85.3		22,894		16,114	70.4		
1999	221,259	195,433	88.3		25,826		16,339	63.3		
Reconsiderations										
Fiscal year of initial DDS decision	Reconsiderations				Appeals to beyond reconsideration		Appeals beyond reconsideration <sup>4</sup>			
	Pending	Continuations Number	Percent <sup>2</sup>	Cessations	Number <sup>5</sup>	Percent <sup>3</sup>	Pending <sup>6</sup>	Continuations Number	Percent	Cessations
Reviews of concurrent title II/XVI cases initiated under title II										
1993	—	22	42.3	30	14	46.7	—	9	64.3	5
1994	—	541	43.2	712	399	56.0	—	177	44.4	222
1995	—	1,245	42.9	1,660	1,007	60.7	—	382	37.9	625
1996	—	1,875	45.5	2,244	1,313	58.5	46	402	31.7	865
1997	111	4,381	59.9	2,938	2,065	70.3	121	658	33.8	1,286
1998	213	5,543	64.8	3,011	1,858	61.7	620	447	36.1	791
1999	898	3,431	66.7	1,715	882	51.4	752	50	38.5	80
Title XVI initiated reviews										
1993	—	—	—	—	—	—	—	—	—	—
1994	—	—	—	—	—	—	—	—	—	—
1995	—	241	36.2	424	267	63.0	—	87	32.6	180
1996	—	3,289	53.5	2,857	1,946	68.1	25	613	31.9	1,308
1997	141	5,270	60.6	3,420	2,557	74.8	150	839	34.9	1,568
1998	269	4,489	63.4	2,589	1,721	66.5	445	440	34.5	836
1999	1,478	5,802	65.8	3,015	1,587	52.6	1,258	113	34.3	216
Total reviews, SSI disabled adults										
1993	—	22	42.3	30	14	46.7	—	9	64.3	5
1994	—	541	43.2	712	399	56.0	—	177	44.4	222
1995	—	1,486	41.6	2,084	1,274	61.1	—	469	36.8	805
1996	—	5,164	50.3	5,101	3,259	63.9	71	1,015	31.8	2,173
1997	252	9,651	60.3	6,358	4,622	72.7	271	1,497	34.4	2,854
1998	482	10,032	64.2	5,600	3,579	63.9	1,065	887	35.3	1,627
1999	2,376	9,233	66.1	4,730	2,469	52.2	2,010	163	35.5	296

**Table V.D2.—SSI Disabled Adult Reviews: Disposition of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision<sup>1</sup> and Level of Decision (Cont.)**

Fiscal year of initial DDS decision	Selected summary totals					
	Continuations at all levels		Cessations at initial level		Cessations after all appeals	
	Number	Percent <sup>7</sup>	Number	Percent <sup>8</sup>	Number	Percent <sup>7</sup>
Reviews of concurrent title II/XVI cases initiated under title II						
1993	1,114	97.5	60	5.2	29	2.5
1994	9,845	89.9	1,818	16.6	1,100	10.1
1995	14,111	84.3	4,252	25.4	2,625	15.7
1996	22,913	85.4	6,248	23.2	3,925	14.6
1997	45,780	89.4	10,725	20.8	5,454	10.6
1998	74,523	92.7	12,652	15.6	5,829	7.3
1999	73,835	93.3	10,475	13.0	5,344	6.7
Title XVI initiated reviews						
1993	—	—	—	—	—	—
1994	—	—	—	—	—	—
1995	3,605	84.1	1,010	23.6	682	15.9
1996	50,175	91.2	8,752	15.9	4,825	8.8
1997	63,771	92.1	11,895	17.1	5,495	7.9
1998	69,758	93.8	10,242	13.6	4,599	6.2
1999	130,994	95.1	15,351	10.9	6,700	4.9
Total reviews, SSI disabled adults						
1993	1,114	97.5	60	5.2	29	2.5
1994	9,845	89.9	1,818	16.6	1,100	10.1
1995	17,716	84.3	5,262	25.0	3,307	15.7
1996	73,088	89.3	15,000	18.3	8,750	10.7
1997	109,551	90.9	22,620	18.7	10,949	9.1
1998	144,281	93.3	22,894	14.7	10,428	6.7
1999	204,829	94.4	25,826	11.7	12,044	5.6

<sup>1</sup> Data reflect results as of March 2000. The ultimate number of continuations and cessations are subject to change until all appeals are final.

<sup>2</sup> Percentage of decisions at this level.

<sup>3</sup> Percentage of cessations at this level appealed to next level.

<sup>4</sup> Includes cases appealed to the Office of Hearings and Appeals, but not cases appealed beyond OHA to the Federal courts. These excluded cases have a minimal impact on the number of continuations.

<sup>5</sup> Number of persons appealing beyond the reconsideration level.

<sup>6</sup> Includes cases remanded to OHA from the Federal courts.

<sup>7</sup> Percentage of initial decisions excluding appealed cases pending decisions.

<sup>8</sup> Percentage of initial decisions.

**Table V.D3.—SSI Disabled Child Reviews: Disposition of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision <sup>1</sup> and Level of Decision**

Fiscal year of initial DDS decision	Initial decisions					
	Total initial DDS decisions	Continuations		Cessations	Appeals to reconsideration	
		Number	Percent <sup>2</sup>		Number	Percent <sup>3</sup>
<b>Reviews of low-birth-weight children</b>						
1994	1,225	771	62.9	454	159	35.0
1995	4,231	2,083	49.2	2,148	665	31.0
1996	5,709	2,491	43.6	3,218	904	28.1
1997	7,091	4,482	63.2	2,609	843	32.3
1998	17,620	6,092	34.6	11,528	3,686	32.0
1999	9,773	4,114	42.1	5,659	1,616	28.6
<b>Redeterminations at age 18</b>						
1994	—	—	—	—	—	—
1995	71	64	90.1	7	5	71.4
1996	12,640	8,158	64.5	4,482	2,055	45.9
1997	48,834	22,431	45.9	26,403	16,977	64.3
1998	40,945	21,453	52.4	19,492	11,048	56.7
1999	49,576	27,413	55.3	22,163	10,516	47.4
<b>All other reviews of SSI disabled children</b>						
1994	—	—	—	—	—	—
1995	3,535	2,501	70.7	1,034	541	52.3
1996	789	399	50.6	390	210	53.8
1997	14	8	57.1	6	4	66.7
1998	91,157	67,203	73.7	23,954	13,322	55.6
1999	183,217	129,420	70.6	53,797	28,326	52.7
<b>Total reviews, SSI disabled children</b>						
1994	1,225	771	62.9	454	159	35.0
1995	7,837	4,648	59.3	3,189	1,211	38.0
1996	19,138	11,048	57.7	8,090	3,169	39.2
1997	55,939	26,921	48.1	29,018	17,824	61.4
1998	149,722	94,748	63.3	54,974	28,056	51.0
1999	242,566	160,947	66.4	81,619	40,458	49.6

Fiscal year of initial DDS decision	Reconsiderations				Appeals to beyond reconsideration			Appeals beyond reconsideration <sup>4</sup>			
	Pending	Continuations Number	Percent <sup>2</sup>	Cessations	Number <sup>5</sup>	Percent <sup>3</sup>	Pending <sup>6</sup>	Continuations Number	Percent	Cessations	
<b>Reviews of low-birth-weight children</b>											
1994	—	44	27.7	115	51	44.3	—	15	29.4	36	
1995	—	184	27.7	481	219	45.5	—	53	24.2	166	
1996	—	329	36.4	575	232	40.3	6	43	19.0	183	
1997	28	291	35.7	524	225	42.9	23	35	17.3	167	
1998	76	1,230	34.1	2,380	1,013	42.6	256	145	19.2	612	
1999	255	532	39.1	829	288	34.7	226	8	12.9	54	
<b>Redeterminations at age 18</b>											
1994	—	—	—	—	—	—	—	—	—	—	
1995	—	2	40.0	3	2	66.7	—	1	50.0	1	
1996	—	707	34.4	1,348	584	43.3	3	117	20.1	464	
1997	301	4,585	27.5	12,091	6,128	50.7	504	1,121	19.9	4,503	
1998	261	3,059	28.4	7,728	3,648	47.2	849	548	19.6	2,251	
1999	1,766	2,857	32.7	5,893	2,554	43.3	1,996	130	23.3	428	
<b>All other reviews of SSI disabled children</b>											
1994	—	—	—	—	—	—	—	—	—	—	
1995	—	177	32.7	364	202	55.5	—	52	25.7	150	
1996	—	69	32.9	141	55	39.0	—	17	30.9	38	
1997	1	1	33.3	2	1	50.0	—	—	0.0	1	
1998	235	4,413	33.7	8,674	5,015	57.8	1,829	720	22.6	2,466	
1999	4,557	8,151	34.3	15,618	7,691	49.2	6,215	338	22.9	1,138	
<b>Total reviews, SSI disabled children</b>											
1994	—	44	27.7	115	51	44.3	—	15	29.4	36	
1995	—	363	30.0	848	423	49.9	—	106	25.1	317	
1996	—	1,105	34.9	2,064	871	42.2	9	177	20.5	685	
1997	330	4,877	27.9	12,617	6,354	50.4	527	1,156	19.8	4,671	
1998	572	8,702	31.7	18,782	9,676	51.5	2,934	1,413	21.0	5,329	
1999	6,578	11,540	34.1	22,340	10,533	47.1	8,437	476	22.7	1,620	

**Table V.D3.—SSI Disabled Child Reviews: Disposition of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision<sup>1</sup> and Level of Decision (Cont.)**

Fiscal year of initial DDS decision	Selected summary totals					
	Continuations at all levels		Cessations at initial level		Cessations after all appeals	
	Number	Percent <sup>7</sup>	Number	Percent <sup>8</sup>	Number	Percent <sup>7</sup>
Reviews of low-birth-weight children						
1994	830	67.8	454	37.1	395	32.2
1995	2,320	54.8	2,148	50.8	1,911	45.2
1996	2,863	50.2	3,218	56.4	2,840	49.8
1997	4,808	68.3	2,609	36.8	2,232	31.7
1998	7,467	43.2	11,528	65.4	9,821	56.8
1999	4,654	50.1	5,659	57.9	4,638	49.9
Redeterminations at age 18						
1994	—	—	—	—	—	—
1995	67	94.4	7	9.9	4	5.6
1996	8,982	71.1	4,482	35.5	3,655	28.9
1997	28,137	58.6	26,403	54.1	19,892	41.4
1998	25,060	62.9	19,492	47.6	14,775	37.1
1999	30,400	66.4	22,163	44.7	15,414	33.6
All other reviews of SSI disabled children						
1994	—	—	—	—	—	—
1995	2,730	77.2	1,034	29.3	805	22.8
1996	485	61.5	390	49.4	304	38.5
1997	9	69.2	6	42.9	4	30.8
1998	72,336	81.2	23,954	26.3	16,757	18.8
1999	137,909	80.0	53,797	29.4	34,536	20.0
Total reviews, SSI disabled children						
1994	830	67.8	454	37.1	395	32.2
1995	5,117	65.3	3,189	40.7	2,720	34.7
1996	12,330	64.5	8,090	42.3	6,799	35.5
1997	32,954	59.8	29,018	51.9	22,128	40.2
1998	104,863	71.7	54,974	36.7	41,353	28.3
1999	172,963	76.0	81,619	33.6	54,588	24.0

<sup>1</sup> Data reflect results as of March 2000. The ultimate number of continuations and cessations are subject to change until all appeals are final.

<sup>2</sup> Percentage of decisions at this level.

<sup>3</sup> Percentage of cessations at this level appealed to next level.

<sup>4</sup> Includes cases appealed to the Office of Hearings and Appeals, but not cases appealed beyond OHA to the Federal courts. These excluded cases have a minimal impact on the number of continuations.

<sup>5</sup> Number of persons appealing beyond the reconsideration level.

<sup>6</sup> Includes cases remanded to OHA from the Federal courts.

<sup>7</sup> Percentage of initial decisions excluding appealed cases pending decisions.

<sup>8</sup> Percentage of initial decisions.

## ***E. INCENTIVES FOR WORK AND OPPORTUNITIES FOR REHABILITATION***

### **1. Work Incentives**

Since the beginning of the SSI program, a number of disabled recipients have worked and received SSI payments. Initially, the program contained a basic earned income exclusion that recognized the additional costs associated with employment. In addition, the law contained a number of special income exclusions which were intended as work incentives. Among these provisions were the income exclusion for blind work expenses (BWE), plans for achieving self-support (PASS), and student earned income exclusion (SEIE).

In the 1980 amendments to the Social Security Act, Congress provided additional incentives to help SSI disabled recipients become self-supporting. These incentives included:

- Providing for an earned income exclusion for impairment-related work expenses (IRWE);
- Changing the treatment of sheltered workshop earnings from unearned income to earned income, thereby qualifying sheltered workshop earnings for the earned income exclusion;
- Providing for the continuation of SSI payments for certain disabled individuals enrolled in vocational rehabilitation programs whose disability ceased due to medical recovery (extended to SSI blind recipients, effective April, 1988);
- Establishing section 1619 which provided:
  - In subsection 1619(a), special SSI cash benefits to disabled individuals who lose eligibility for SSI payments because they have earnings exceeding the level that is ordinarily considered to represent substantial gainful activity (SGA), and
  - In subsection 1619(b), special SSI recipient status for Medicaid purposes to working disabled or blind individuals when their earnings make them ineligible for cash payments.

The incentives for work and opportunities for rehabilitation are discussed in more detail in section III.E. In the tables that follow we provide historical information on participation by SSI recipients in work incentive programs.<sup>1</sup>

#### ***a. Numbers of Participants in Work Incentive Programs***

In this section, we present historical data on participation by SSI recipients in work incentive programs. Table V.E1 presents historical numbers of SSI recipients categorized according to their section 1619 status. Figure V.E1 presents the same information in graphical form.

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<sup>1</sup> More detailed information on participation by SSI recipients in work incentive programs is provided in the *Quarterly Report on SSI Disabled Workers and Work Incentive Provisions* prepared by the Office of Research, Evaluation and Statistics, Social Security Administration.

**Table V.E1.—SSI Federally-Administered Blind or Disabled Working Recipients as of December, 1987-99**

Year	In current-payment status		1619(b) workers <sup>3</sup>	Total workers
	1619(a) workers <sup>1</sup>	Other workers <sup>2</sup>		
1987	14,559	142,664	15,632	172,855
1988	19,920	153,599	15,625	189,144
1989	25,655	161,928	18,254	205,837
1990	13,994	182,421	23,517	219,932
1991	15,531	186,824	27,264	229,619
1992	17,603	199,665	31,649	248,917
1993	20,028	210,322	35,299	265,649
1994	24,315	217,478	40,683	282,476
1995	28,060	223,573	47,002	298,635
1996	31,085	225,310	51,905	308,300
1997	34,673	228,093	57,089	319,855
1998	37,271	229,662	59,542	326,475
1999	25,528	245,825	69,265	340,618

<sup>1</sup> In January, 1990, the SGA level was raised from \$300 to \$500 and section 1619(a) participants with earnings at or below \$500 became eligible for regular SSI benefits rather than the special cash payments under section 1619(a). In July 1999, the SGA level was further increased to \$700.

<sup>2</sup> Workers' earnings are at or below the SGA level.

<sup>3</sup> 1619(b) recipients are not in current-payment status but retain SSI recipient status for Medicaid purposes.

Note: Totals do not necessarily equal the sums of rounded components.

**Figure V.E1.—SSI Federally-Administered Blind or Disabled Working Recipients as of December, 1987-99**  
[In thousands]

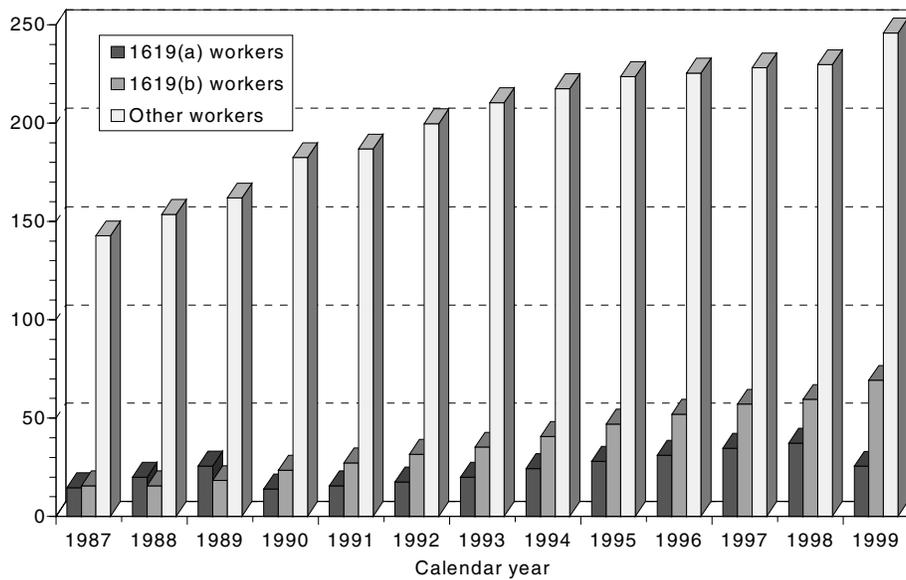


Table V.E2 presents historical numbers of SSI recipients who benefit from other selected work incentive provisions: (1) plan for achieving self-support (PASS), (2) impairment-related work expense exclusion (IRWE), and (3) blind work expense exclusion (BWE). These recipients may be benefiting from more than one of these selected work incentive provisions. This information is available only for calendar years 1990 and later.

**Table V.E2.—SSI Federally-Administered Blind or Disabled Individuals with SSI Recipient Status Participating in Other Work Incentives as of December, 1990-99**

Year	PASS <sup>1</sup>			IRWE	BWE
	Non-workers	Workers	Total		
1990.....	1,215	1,040	2,255	5,384	4,385
1991.....	1,969	1,601	3,570	6,546	4,330
1992.....	3,189	2,658	5,847	7,813	4,454
1993.....	4,528	3,602	8,130	8,629	4,406
1994.....	5,842	4,487	10,329	9,484	4,380
1995.....	5,719	4,603	10,322	9,940	4,433
1996.....	2,760	1,944	4,704	9,799	4,230
1997.....	1,290	708	1,998	9,637	4,116
1998.....	712	362	1,074	9,301	3,802
1999.....	698	347	1,045	9,520	3,971

<sup>1</sup> For years 1990 through 1996, data do not include PASS plans which exclude only resources.

Note: Working recipients participating in these other work incentives may be 1619(a) recipients, 1619(b) recipients or working recipients whose earnings are at or below the SGA level.

**b. Average Earnings of Participants in Work Incentive Programs**

In this section, we present historical data on average earnings of SSI working recipients. Table V.E3 presents average earnings of SSI recipients categorized according to their section 1619 status.

**Table V.E3.—Average Monthly Earnings of SSI Federally-Administered Blind or Disabled Working Recipients, as of December, 1987-99**

Year	Blind or disabled workers with SSI recipient status			
	In current-payment status		1619(b) workers <sup>3</sup>	Total workers
	1619(a) workers <sup>1</sup>	Other workers <sup>2</sup>		
1987.....	\$494	<sup>4</sup> \$124	\$739	<sup>4</sup> \$211
1988.....	522	<sup>4</sup> 127	721	<sup>4</sup> 218
1989.....	518	<sup>4</sup> 131	712	<sup>4</sup> 231
1990.....	712	145	746	245
1991.....	724	148	780	262
1992.....	726	150	781	271
1993.....	728	153	784	280
1994.....	746	157	803	301
1995.....	754	160	834	322
1996.....	764	162	881	344
1997.....	772	164	932	367
1998.....	772	182	954	390
1999.....	926	207	980	418

<sup>1</sup> In January, 1990, the SGA level was raised from \$300 to \$500 and section 1619(a) participants with earnings at or below \$500 became eligible for regular SSI benefits rather than the special cash payments under section 1619(a). In July 1999, the SGA level was further increased to \$700.

<sup>2</sup> Workers' earnings are at or below the SGA level.

<sup>3</sup> 1619(b) recipients are not in current-payment status but retain SSI recipient status for Medicaid purposes.

<sup>4</sup> Estimated.

## 2. Vocational Rehabilitation

SSA makes provision for blind or disabled individuals who are receiving SSI benefits to be referred to the State Vocational Rehabilitation (VR) agencies. Recipients who have been referred to VR agencies and accepted as clients lose eligibility for SSI benefits if they refuse, without good cause, the services offered. As indicated in the Work Incentives section above, the 1980 amendments provided for the continuation of SSI payments for certain disabled individuals enrolled in VR programs whose disability ceased due to medical recovery. This provision was extended to SSI blind recipients effective April, 1988. In 1994, regulations were amended to expand access to private and non-State public VR providers when a State VR agency does not serve an SSI recipient whom SSA refers for services.

From the beginning of the SSI program through 1981, VR agencies were reimbursed for the cost of VR services regardless of outcome. The 1981 amendments changed the reimbursement provisions so that VR agencies would be reimbursed for the cost of VR services furnished to blind or disabled SSI recipients only if the services result in the recipient returning to work.<sup>1</sup> For reimbursement purposes, recipients are considered to have returned to work if they have had earnings exceeding the SGA level for 9 continuous months. Effective with the 1990 amendments, reimbursement for the cost of VR services was authorized for services provided in months in which the individual was not receiving Federal SSI benefits if the individual:

- Had special SSI recipient status for Medicaid purposes under subsection 1619(b) of the Social Security Act,
- Received a Federally-administered State supplementary payment, or
- Had SSI benefits suspended for fewer than 13 consecutive months for a reason other than cessation of disability or blindness.

Table V.E4 provides historical data on the number of reimbursement claims allowed and the amount of such awards for SSI recipients.

**Table V.E4.—Vocational Rehabilitation Reimbursement Claims Allowed, Fiscal Years 1987-99**

Fiscal year	Concurrent title II/XVI claims		Title XVI only claims		Total claims	
	Number	Amount <sup>1</sup> (in thousands)	Number	Amount (in thousands)	Number	Amount <sup>1</sup> (in thousands)
1987.....	(2)	(2)	1,493	\$10,010	(2)	(2)
1988.....	(2)	(2)	1,720	14,831	(2)	(2)
1989.....	(2)	(2)	1,871	18,366	(2)	(2)
1990.....	1,267	\$3,290	2,819	22,832	4,086	\$26,122
1991.....	1,445	4,325	2,171	20,615	3,616	24,940
1992.....	1,634	5,312	2,834	28,276	4,468	33,588
1993.....	1,928	6,670	2,158	22,264	4,086	28,934
1994.....	1,880	7,057	2,074	23,400	3,954	30,457
1995.....	2,140	7,761	2,229	26,402	4,369	34,162
1996.....	2,033	6,518	2,138	24,334	4,171	30,852
1997.....	2,735	8,541	2,914	31,532	5,649	40,073
1998.....	3,329	10,089	3,446	36,313	6,775	46,402
1999.....	3,572	11,403	4,046	42,281	7,618	53,684

<sup>1</sup> For concurrent title II/XVI claims, amounts shown represent title XVI portion of claim.

<sup>2</sup> For fiscal years 1987-89, data on title II reimbursement claims involving concurrent title XVI reimbursement claims are not available.

Note: Totals do not necessarily equal the sums of rounded components.

<sup>1</sup> Reimbursement may also be made in cases where the recipient, without good cause, refuses to continue to accept VR services or fails to cooperate in such a manner as to preclude successful rehabilitation. In such cases, the recipient would become ineligible for SSI benefits due to a failure to accept the offered services. In addition, reimbursement may be made in cases where the recipient medically recovers while engaged in a program of rehabilitation services approved by SSA; and SSA determines that completion of such program increases the likelihood the individual will be permanently removed from the rolls.

***F. INVOLVEMENT OF SSI RECIPIENTS IN OTHER PROGRAMS***

In this section we present data on prior enrollment by recipients, including State programs funded under part A of title IV of the Social Security Act and State general assistance programs. These data are based on information from the Supplemental Security Record, the main administrative file for the SSI program.

SSA does not maintain complete information in its administrative files concerning the involvement of SSI recipients in all other assistance programs. We do, however, have some indication with regard to entitlement to benefits under two other programs—Temporary Assistance for Needy Families (TANF) (which replaced Aid to Families with Dependent Children (AFDC)) and Interim Assistance Reimbursement—at the point that a person applies for SSI benefits.

Of the 6.6 million people receiving SSI payments in December 1999, almost 1.5 million had at some time received income from the TANF or AFDC programs. While many of those receiving TANF or AFDC at the point of application were children (37 percent), the majority were disabled adults who had received assistance payments either as children or as caretaker relatives.

Interim assistance is assistance a State gives to SSI applicants in cash or vendor payments for meeting basic needs while they are awaiting the outcome of the SSI eligibility determination process. Of the 6.6 million people receiving SSI payments in December 1999, about 8,500 had part of their initial SSI check paid to their State as reimbursement for interim assistance.

## **G. BIBLIOGRAPHY OF RESEARCH ON RELATED TOPICS**

The legislative mandate for this report requires inclusion of summaries of “relevant research on the SSI program by the Social Security Administration (SSA) and others.” Given the volume of research that has been done since the inception of the Supplemental Security Income (SSI) program, we concluded that we could most effectively optimize interested readers’ access to this information by developing a comprehensive bibliography, rather than by attempting to synopsise numerous, sometimes lengthy and complex documents. In addition, in this and future reports, we expect to provide summary information on certain current research projects related to the SSI program. Section 1 below presents information on six such projects commissioned by SSA. Future reports will provide the results of these studies.

Section 2 presents a list of reference sources that include studies and reports regarding various aspects of the SSI program prepared by, or under contract for, the Social Security Administration. The list also includes information gleaned from the extensive holdings of the Library of Congress regarding studies that have been conducted by public and private entities regarding SSI payment levels, recipients, and reform proposals. It is not intended to be an exhaustive compilation of relevant studies.

### **1. Research Topics**

#### ***a. Policy Evaluation of the Effects of the 1996 Welfare Reform Legislation on SSI Benefits for Children with Disabilities***

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 substantially tightened the childhood SSI eligibility criteria. This legislation also requires that all SSI children be redetermined based on the adult disability criteria after turning 18 years of age. SSA has awarded a policy evaluation task order contract to the RAND Corporation to design a study of both the net effect of this legislation on SSA’s caseloads and program costs and the impact of losing SSI benefits on the children affected by the law. Through this contract, SSA will obtain answers to the following questions:

- What are the characteristics of the children who are affected by the legislation?
- What is the impact of the legislation on children with disabilities who were receiving SSI benefits prior to welfare reform?
- What happens to these children in terms of their family income, living arrangements, utilization of medical services, and other relevant outcomes?
- What is the overall net impact of welfare reform on SSI caseloads and costs, taking into account both terminations and new allowances?

The study will provide descriptive and quantitative estimates of the effects of the legislation on the children who were on the rolls prior to the enactment of the legislation through analyses of SSA administrative data and currently available survey data. In addition, the study will provide estimates of the net effect of the legislation on the number of children on the SSI rolls, total benefit years, and program cost, accounting for both terminations and new allowances. Qualitative data are collected through a limited number of case studies of affected children, their families, and service providers in four States. The study design has been completed and the contract for the study itself is expected to be awarded in the Summer of 2000.

***b. Design and Implementation of Survey of Children with Disabilities***

Due to the widely acknowledged shortcomings of existing data sources for evaluating the effects of welfare reform on SSI children and for tracking SSI children unaffected by welfare reform, SSA has undertaken to design and implement a national survey of children with disabilities. The last formal, nationally representative survey of SSI children was conducted for SSA in 1978 by Urban Systems Research & Engineering, Inc. Among the questions the survey will be designed to answer are the following:

- What is the cost of caring for a disabled child?
- What are the uses of SSI benefits?
- What alternative sources of care are available to disabled children who lose SSI benefits?
- How is quality of life and utilization of medical services impacted by gaining or losing SSI benefits?
- What is the impact of receiving childhood SSI benefits on parental labor force participation?

The goal is to collect data that will allow SSA to further evaluate the effects of welfare reform on SSI children and their families, as well as to evaluate future changes to the SSI program that may affect children. This project consists of two broad activities: survey design and survey implementation. SSA has awarded a survey design task order contract to Mathematica Policy Research, Inc. Mathematica's tasks include designing the sampling plan, developing the survey instrument, pre-testing the survey instrument, and drafting an Office of Management and Budget (OMB) clearance package. A survey implementation contract will be completed after the design is solidified. SSA currently anticipates that data collection will begin late in calendar year 2000.

***c. Policy Evaluation of the Overall Effects of Welfare Reform on SSA Programs—Phase I Evaluation Design***

Future cutbacks in non-SSA welfare programs may result in increased applications among some groups of people. Awards to such applicants would increase the growth of SSA's disability programs and program costs. Thus, while some aspects of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (such as provisions restricting the eligibility of children) are expected to decrease SSA caseloads and program costs, other changes (most notably the replacement of the Aid to Families with Dependent Children program by block grants for Temporary Assistance for Needy Families) may work in the opposite direction. Therefore, a comprehensive and unbiased evaluation of the overall net effects of the welfare reform legislation must take account of the effect of non-SSA welfare reform provisions on SSA's programs. A task order contract was awarded to the Lewin Group to propose an evaluation design for the Welfare Reform Act's effect on non-SSA programs that might affect applications and awards for SSA programs. The study proposes that the effects should be measured in combination with specific State demonstrations in selected States. The report reviews the characteristics of many State demonstrations and highlights State evaluation projects in California, Connecticut, Florida, Michigan, and Wisconsin. Using nationally representative data before welfare reform and State-to-State variations before welfare reform, the study assesses the likely magnitude and direction of indirect welfare reform effects on SSA caseloads in the future. The study concludes that they cannot be precisely measured with national level survey data matched to SSA records or with State-to-State differences across time. As part of the analysis, the project provides descriptive survey data of SSI participants by age and gender and statistically analyzes the transition onto SSI with these data. In addition, it develops an analytic framework and methodology for future retrospective studies of the overall effects of welfare reform on SSA caseloads, and includes a systematic assessment of existing and potential new data collection necessary to track the longer-term effects of welfare reform on SSA caseloads.

#### ***d. Project NetWork***

The Project NetWork demonstration was SSA's first large-scale initiative to assist DI beneficiaries and SSI applicants and recipients in returning to employment through a combination of intensive outreach and case management services. A rigorous evaluation component based on a randomized field experiment design has been an integral part of the demonstration design. Under contract with SSA, Abt Associates, Inc. is conducting a comprehensive evaluation of the Project NetWork demonstration. Because of their richness, the databases that are potentially available from the demonstration can be utilized to conduct studies focusing on issues relevant for targeting future SSA return-to-work initiatives. The narrower objectives of the project focus on the Project NetWork case management approach. With help from contractors, a comprehensive administrative records database has been developed by SSA staff containing detailed information on:

- 8,248 Project NetWork participants randomly assigned to receive case management services or to a control group, and
- 138,613 eligible nonparticipants living in the demonstration areas.

The database includes information on the receipt of SSI and DI benefits and earnings, prior to the demonstration period through the post-demonstration period, and a set of demographic and diagnostic variables. A wide array of survey data has been collected on a random sample of project eligibles—covering all DI beneficiaries and SSI applicants and recipients—living in the demonstration areas. Both project participants who volunteered for the demonstration and nonparticipants have been interviewed at baseline. The survey data file contains information on both economic and non-economic variables affecting the decision to volunteer for return-to-work programs that is not available from SSA administrative record systems; for example, the survey has detailed information on functional limitations, health (including mental health status), cognitive functioning, motivation, and substance abuse. Study findings to date focus on the feasibility of applying case management on a large scale, the feasibility of reaching out to hard-to-serve segments of beneficiaries and applicants, and measures of project outcomes.

#### ***e. State Partnership Return-to-Work Demonstrations—Design and Implementation of the Net Outcomes Evaluation***

In the fall of 1998, the Social Security Administration's Office of Disability and Income Security Programs (SSA/ODISP) and the Department of Education's Rehabilitation Services Administration (ED/RSA) announced the award of 12 SSA and 6 RSA projects with annual funding (renewable for 5 years) under State Partnership agreements and grants. These projects are designed to assist States in developing alternative program structures and service delivery systems that increase the successful employment of persons with disabilities who are receiving SSI and SSDI. A technical assistance, monitoring and data collection contract was also awarded by SSA/ODISP at that time to facilitate consistent cross-site data collection from these demonstrations.

In the Spring of 1999, SSA's Office of Research, Evaluation, and Statistics (SSA/ORES) awarded an 18-month task-order contract to evaluate the net impact of these projects. The contractor will design a two-part comprehensive evaluation of the net-outcomes produced by the State demonstrations. The Core net-outcome evaluation will rely primarily on SSA administrative data and will use appropriate statistical methods to define comparison groups and determine the net impact of the State demonstrations on participants. To the extent made possible by the quality of additional demonstration data from the States, the evaluation contractor will also implement a Supplemental net-outcome evaluation. Both of these aspects of the contract will focus primarily on the evaluation designs, but the contractor will be required to test and implement these evaluations for participants through the term of the task order.

*f. Ticket to Work*

The evaluation of the Ticket-to-Work and Self-Sufficiency Program will examine the following:

- Total and net costs of the program,
- The impact of the program on beneficiary work outcomes and reliance on SSA benefits,
- The individual and service provision characteristics of service providers and provider networks,
- The appeal of the program among the eligible population, and
- The satisfaction of participants with the program in general.

To the degree possible, the evaluation will utilize information from SSA administrative data and from the Ticket-to-Work implementation process. Such data will be insufficient, however, to cover many of the evaluation topics required under the legislation. This will be especially true for eligible non-participants and comparison individuals in areas where the Ticket Program is not fully implemented. A significant survey effort will therefore be required to supply the necessary supplemental information to meet these evaluation requirements. Due to the relatively short implementation time line of the program, the evaluation will have two components. The first phase will involve a task order contract to provide data development from existing sources, design of the supplemental data survey, and design of the specific evaluation components to meet the legislative requirements. The second phase will utilize a multiyear contract to carry out the supplemental data survey and evaluation design, and provide the congressional evaluation reports mandated in the law.

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## *H. GLOSSARY*

**Administrative Expenses (or Costs).** Expenses incurred by the Social Security Administration (SSA) in administering the Supplemental Security Income (SSI) program. Such administrative expenses are initially paid from the OASI and DI Trust Funds as provided for in section 201(g)(1) of the Social Security Act. The trust funds are subsequently reimbursed for such expenditures from the General Fund of the Treasury.

**Affidavit of Support.** A contract under which a United States citizen or legal resident agrees to provide support to maintain (i.e., to sponsor) an immigrant as a condition of the immigrant's admission into the United States.

**Aged.** Individuals aged 65 or older.

**Aid—Old-Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Permanently and Totally Disabled (APTD).** The former Federal-State programs of adult cash assistance under titles I, X, and XVI respectively, that were replaced in the 50 States and the District of Columbia by the SSI program in 1974. These programs still operate in Guam, the Virgin Islands, and Puerto Rico and are administered at the Federal level by the Secretary of Health and Human Services.

**Alien Lawfully Admitted for Permanent Residence.** A noncitizen lawfully accorded the privilege of residing permanently in the United States. Such individuals may be issued immigrant visas overseas by the Department of State, or adjusted to permanent resident status while living in the United States by the Immigration and Naturalization Service.

**Appeal Rights Process.** The administrative review process followed by SSA in determining an individual's rights under the Social Security Act. The administrative review process consists of several steps, which must be requested after the initial determination of eligibility, within certain time periods and in the following order: (1) reconsideration, (2) hearing before an administrative law judge, and (3) an Appeals Council review.

**Assistance Based on Need.** Assistance that is provided by certain programs which use income as a factor of eligibility. The assistance must be funded wholly by a State, a political subdivision of a State, or a combination of such jurisdictions.

**Assumptions.** Values relating to future trends in certain key factors which affect the eligibility for SSI benefits and the level of such SSI payments. Demographic assumptions include fertility, mortality, net immigration, marriage, divorce, retirement patterns, disability incidence and termination rates, and changes in the labor force. Economic assumptions include unemployment, average earnings, inflation, interest rates, and productivity. The assumptions underlying the projections presented in this report are consistent with the intermediate assumptions of the 2000 OASDI Trustees Report.

**Asylee.** A noncitizen already in the United States or at a port-of-entry who is granted asylum in the United States. Asylum may be granted to an individual who is unable or unwilling to return to his/her country of nationality, or to seek the protection of that country, because of persecution (or a well-founded fear of persecution) based on the noncitizen's race, religion, nationality, membership in a particular social group or political opinion.

**Attendant Care Services.** Services (including personal care assistance) that are paid for from Federal, State or local funds and which are provided by a paid attendant required to assist with work related and/or personal functions.

**Automatic Cost-of-Living Increase.** The annual increase in SSI Federal benefit rates, effective for January, reflecting the change in the cost of living. The increase equals the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers measured from the average over July, August, and September of the preceding year to the average for the same 3 months in the current year. If the increase is less than one-tenth of 1 percent, when rounded, there is no automatic increase for the current year; the increase for the next year would reflect the increase in the cost of living over a 2-year period.

**Award.** An administrative determination that an individual is eligible for an SSI benefit.

**Blind.** For purposes of the SSI program, an individual is considered to be blind if he/she has 20/200 or less vision in the better eye with the use of a correcting lens, has tunnel vision of 20 degrees or less, or met the October 1972 State definition of blindness and received benefits under the State's former program of Aid to the Blind in December 1973.

**Blind Work Expenses (BWE).** Any expenses incurred by a blind individual that are reasonably attributable to earning income. The BWE provision permits the exclusion of these expenses from the earned income of a blind individual. (See "Impairment-Related Work Expenses (IRWE)" for the related exclusions for disabled individuals.)

**Burial Funds.** A comprehensive term that for SSI purposes includes revocable burial contracts, trusts and other burial arrangements (including amounts paid on installment sales contracts for burial spaces), cash, accounts, or other financial instruments with a definite cash value clearly designated for the individual's burial expenses.

**Child.** An unmarried blind or disabled individual who is not the head of a household and who is either under age 18 or aged 18-21 and regularly attending school.

**Comparable Severity.** The phrase in the Social Security Act that defined disability for children prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193). Under prior law, an individual under age 18 would have been considered disabled if he/she had an impairment of comparable severity to that required for individuals 18 or older.

**Constant Dollars.** Dollar amounts adjusted by the CPI to the value of the dollar in a particular year.

**Consumer Price Index—CPI.** Relative measure of inflation. In this report, all references to the CPI relate to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

**Continuing Disability Review (CDR).** An evaluation of an individual's impairment(s) to determine whether the person is still disabled within the meaning of the law for purposes of eligibility for SSI and OASDI benefits.

**Cost-of-Living Adjustment (COLA).** See "Automatic Cost-of-Living Increase."

**Countable Income.** An individual's income less all-applicable exclusions. This amount is used to determine SSI eligibility.

**Countable Resources.** The amount of resources after all exclusions. This amount is used in determining an individual's or couple's SSI eligibility. A resource may be cash or other liquid assets or any real or personal property that an individual (or his/her spouse) owns and could convert to cash to be used for their support and maintenance. SSI law stipulates what items are to be excluded from resources.

**Current Dollars.** Amounts expressed in nominal dollars with no adjustment for inflationary changes in the value of the dollar over time.

**Current-Payment Status.** Status of an SSI recipient to whom a benefit is being paid for a given month. SSI benefits for a month are usually payable on the first day of that month.

**Dedicated Account.** A bank account established for a disabled or blind child to contain retroactive SSI payments that exceed six times the Federal benefit rate (FBR) plus State supplementation (certain smaller retroactive payments may be placed in the account once it is established). Funds may be used for:

- Education,
- Personal needs assistance,
- Special equipment or housing modifications,
- Medical treatment,
- Therapy or rehabilitation, or
- Other items or services that the Commissioner deems appropriate—

provided that the expense benefits the child and, in the case of the last four items, is related to the child's impairment. Money from a dedicated account which is misapplied must be repaid. These accounts are excluded from resources and the interest earned is excluded from income.

**Deeming.** The process by which the income and resources of an ineligible individual are considered to be available to a recipient when determining eligibility or payment amount. Deeming applies only between:

- The living-with ineligible spouse and the eligible spouse,
- The living-with ineligible parent(s) and eligible child(ren) under age 18, and
- The immigration sponsors of some noncitizens and the noncitizen(s).

**Demographic Assumptions.** See "Assumptions."

**Disability.** For individuals aged 18 or older, the inability to engage in any substantial gainful activity (SGA) by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of at least 12 months. An individual under age 18 must have a medically determinable physical or mental impairment, which results in marked and severe functional limitations and which has lasted or can be expected to last for a continuous period of not less than 12 months.

**Disability Determination Services (DDS).** Federally funded State agencies that make disability determinations for SSA.

**Disaster Assistance.** Assistance from Federal programs and agencies, joint Federal and State programs, State or local government programs, and private organizations (e.g., the Red Cross) provided to victims of a Presidentially declared disaster.

**Disposal of Resources for Less Than Fair Market Value.** Ridding oneself of resources, either liquid, real, or personal property, for less than the resources are worth.

**Earned Income.** For SSI purposes, wages, net earnings from self-employment, remuneration for work in a sheltered workshop, royalties on published work, and honoraria for services rendered are considered earned income. The distinction between earned and unearned income is significant because more liberal exclusions are applied to earned income.

**Earned Income Disregard.** The first \$65 of a recipient's monthly earnings and one-half of the earnings in excess of \$65 are excluded in computing the SSI benefit payable.

**Earned Income Tax Credit (EITC).** A special tax credit that reduces the Federal tax liability of certain low-income working taxpayers. This tax credit may or may not result in a payment to the taxpayer.

**Effective Date of Application.** An application for SSI benefits is effective on the first day of the month following the date on which the application is filed, or on which the individual first becomes eligible, whichever is later.

**Eligible Couple.** Two persons married and living together in the same household or living together as married, both being aged, blind, or disabled and eligible for SSI.

**Eligible Individual.** An aged, blind or disabled person who meets all the requirements for eligibility under the SSI program, including filing an application.

**Emergency Advance Payments (EAP).** Special SSI payments that are available only at the time of initial application for eligible individuals who face financial emergencies and need assistance before their first benefits would otherwise be received. The amount of the EAP an individual receives is recovered from subsequent benefit payments.

**Federal Benefit Rate (FBR).** The basic standard used in computing the amount of Federal SSI benefits for individuals and couples. The FBRs are increased annually to reflect increases in the cost of living. Effective January 2000, the FBR for individuals is \$512 a month and \$769 a month for eligible couples. (See table IV.A2.)

**Fiscal Year (FY).** The accounting year of the United States Government. Since 1976, a fiscal year is the 12-month period ending September 30. For example, fiscal year 2000 began October 1, 1999 and will end September 30, 2000.

**Food Stamps.** The U.S. Department of Agriculture (USDA), under cooperative Federal-State agreements, issues Food Stamp Program benefits in the form of paper food coupons (commonly known as food stamps) and through electronic benefit transfer, to provide nutrition for low-income families. Food stamps can be used only to buy food at stores authorized by USDA to accept them.

**General Fund of the Treasury.** Funds held by the Treasury of the United States, other than receipts collected for a specific purpose (such as Social Security) and maintained in a separate account for that purpose.

**Gross Domestic Product (GDP).** The total market value of goods and services produced by labor and property located in the United States, regardless of who supplies the labor or property.

**Holding-Out Marriage.** A situation in which a man and woman who are not legally married to each other are living together in the same household and holding out to the community that they are husband and wife and, as such, are treated as a couple for purposes of determining eligibility and payment amount under SSI.

**Home Energy Assistance.** A Federal Government block grant program that provides funds to States for energy assistance (including weatherization) to low-income households. This assistance may be provided by a variety of agencies (e.g., State or local welfare offices, community action agencies, special energy offices, etc.) and may be known by a variety of names (e.g., Low Income Home Energy Assistance Program (LIHEAP), Project Safe, etc.).

**Household.** A group of two or more individuals who use a single dwelling unit as primary quarters for living and eating separate from other individuals' living units.

**Household of Another.** An individual is considered to be living in the household of another when the individual lives with others, does not own or rent the shelter, and does not pay a pro rata share of the household's food and shelter expenses. An individual who provides all of his/her own food, or lives in a public assistance household or in non-institutional care, is not considered to be living in the household of another. An individual who is determined to be living in the household of another is considered to be

receiving in-kind support and maintenance from that household, and his/her SSI benefit is reduced by one-third of the FBR.

**Impairment-Related Work Expenses (IRWE).** The provision that permits the exclusion from earnings of the costs of items and services which are needed in order for a disabled individual to work, which are paid for by the individual, and which are necessarily incurred by that individual because of a physical or mental impairment. These IRWE's are excluded from earnings when determining substantial gainful activity (SGA) or computing eligibility and ongoing SSI monthly payments. (See "Blind Work Expenses (BWE)" for the related exclusions for blind individuals.)

**Income.** See—"Earned Income," "In-Kind Income" and "Unearned Income."

**Individual Development Account (IDA).** A dedicated savings account which low-income individuals, including SSI recipients, may establish in order to save for purchasing a first home, meeting the costs of post-secondary education, capitalizing a business or addressing certain hardships. An individual's deposits into an IDA are matched by a sponsoring non-profit organization, or State or local government participating in the program.

**Ineligible Spouse.** The husband or wife of an eligible individual who is not eligible for SSI benefits.

**Inflation.** An increase in the volume of money and credit relative to available goods, resulting in an increase in the general price level.

**Infrequent or Irregular Income.** Income that is received either infrequently or irregularly that can be excluded from the determination of an individual's income, provided that the total of this income does not exceed \$10 per month of earned income and \$20 per month of unearned income. Infrequent means that it is not received more than once in a calendar quarter from a single source. Irregular means that an individual could not reasonably expect to receive the income.

**Initial Determination.** A determination SSA makes about an individual's eligibility for benefits or about any other matter that gives that person a right to further administrative and/or judicial review.

**In-Kind Income.** Income that is not cash, but is food, clothing or shelter or something an individual can use to obtain food, clothing or shelter.

**In-Kind Support and Maintenance (ISM).** Unearned income in the form of food, clothing, or shelter or any combination of these.

**Interim Assistance Reimbursement (IAR).** The process used for reimbursing for basic assistance provided by a State to an individual either while the individual's application for SSI was pending or during the period in which an individual's SSI benefits were suspended. SSA may reimburse a State that has provided this assistance. The individual's retroactive SSI payment is sent to the State as reimbursement if: (1) the State has an agreement with SSA to participate in IAR, (2) the individual has given SSA written authorization to have his/her retroactive payment sent to the State as reimbursement, and (3) the individual is found eligible for SSI benefits or has had his/her benefits reinstated for the same period of suspense.

Under IAR, after States reimburse themselves from an individual's retroactive benefit, they must forward any remainder to the individual within 10 days.

**Living With.** A required condition for parent-to-child and spouse-to-spouse deeming. Deeming of income and resources occurs if a child lives with his/her parents or an individual lives with his/her spouse.

**Maintenance-of-Effort.** See "Passalong."

**Mandatory State Supplementation.** See "State Supplementation."

**Means-Testing.** The measuring of income and resources against specified amounts as eligibility factors for certain assistance benefits. SSI is a means-tested benefit program.

**Medicaid.** The program authorized under title XIX of the Social Security Act, which provides medical assistance to certain low-income individuals and families and certain disabled and medically needy individuals. Medicaid is administered by the States with support from the Federal Government in the form of matching grants. The Federal Government provides guidelines to the States for formulating their programs. Because these guidelines afford great leeway, Medicaid programs vary widely among the States.

**Medicaid Facility.** A medical treatment facility such as a hospital, extended care facility, nursing home, or intermediate care facility, where Medicaid pays more than 50 percent of the cost of a person's care.

**Medical Facility.** An establishment that makes available some treatment or services in addition to food and shelter to four or more persons who are not related to the proprietor.

**New Entrant.** An SSI recipient in the first month of SSI payment receipt.

**Noncitizen.** An individual who is not a United States citizen. Also referred to in welfare and immigration law as an alien. (See "Alien Lawfully Admitted for Permanent Residence," "Asylee," "Parolee" and "Refugee.")

**Nonqualified Alien.** A noncitizen who is not in a qualified alien category for SSI eligibility purposes. Public Law 105-306, the Noncitizen Benefit Clarification and Other Technical Amendments Act of 1998, permanently extended SSI eligibility of all nonqualified aliens who were receiving SSI benefits on August 22, 1996 provided all other eligibility requirements continue to be met.

**OASDI.** The Old-Age, Survivors, and Disability Insurance programs established under title II of the Social Security Act.

**One-Third Reduction.** The reduction of an individual's SSI payment that occurs when an individual is living in the household of another. Instead of determining the actual dollar value of in-kind support and maintenance, one-third of the Federal benefit rate is counted as additional income to an individual living in another person's household for a full calendar month and receiving both food and shelter from the household.

**Optional State Supplementation.** See "State Supplementation."

**Overpayment.** The payment of more than the amount due for any period, including any amounts of Federally-administered State supplementary payments.

**Parent.** For SSI purposes, the natural mother or father of the child, or the person who legally adopted the child, or the stepparent who lives in the same household as the child.

**Parolee.** A noncitizen, who appears to be inadmissible to the inspecting INS officer, but is allowed to enter the United States under emergency humanitarian conditions or when the noncitizen's entry is determined to be in the public interest. Parole does not constitute a formal admission to the United States and confers temporary admission status only, requiring parolees to leave when the conditions supporting their parole cease to exist.

**Passalong.** A requirement that States must meet in order to be eligible for Medicaid reimbursement. Any State making supplementary payments (see "State Supplementation") after June 30, 1977, must continue making such payments and must pass along any cost-of-living increase to the Federal benefit rate. Two methods are available to ensure that cost-of-living increases are passed on to the recipients.

- *Total Expenditures Method*—State expenditures for supplementary payments in the current calendar year must at least equal expenditures in the preceding calendar year. If expenditures are less in the current year (shortfall), the State must increase expenditures in the next calendar year by an amount at least equal to the shortfall.
- *Payment Levels Method*—States may not lower their supplementary payment for any of the living arrangement categories below their adjusted March 1983 levels. The adjusted level is the State's March 1983 payment level minus that portion of the July 1983 increase in the Federal benefit rate that was not attributable to the increase in the cost of living (i.e., \$10.30 per individual and \$15.40 per couple).

**Payment Accuracy.** The accuracy rate reflects the percent of dollars in SSI benefits that are paid correctly. One measure of the quality of the SSI program and SSA's stewardship of it, based on reviews conducted by SSA to determine the accuracy of the payment and compliance with national instructions and goals.

**Personal Needs Allowance.** The amount allowed for an institutionalized recipient's personal needs (currently \$30). If an SSI recipient is in a Medicaid facility, the law requires that the SSI benefit be used only for the recipient's personal needs (i.e., that the institution cannot retain the benefit in repayment of the cost of the individual's care).

**Plan for Achieving Self-Support (PASS).** A plan that permits a disabled or blind SSI recipient to set aside earned or unearned income and resources for a work goal. The income or resources set aside under a PASS are used to pay for goods or services needed to reach that goal, such as education, vocational training, starting a business, or purchasing work-related equipment. Income and resources set aside under a PASS are excluded from SSI income and resources. SSA must approve an individual's PASS.

**Population in the Social Security Area.** The population comprised of (i) residents of the 50 States and the District of Columbia (adjusted for net census undercount); (ii) civilian residents of Puerto Rico, the Virgin Islands, Guam, American Samoa and the Northern Mariana Islands; (iii) Federal civilian employees and persons in the Armed Forces abroad and their dependents; (iv) crew members of merchant vessels; and (v) all other U.S. citizens abroad.

**Presumptive Disability or Blindness.** A finding that SSI payments may be made before SSA makes a formal determination as to whether or not the individual is disabled or blind. The individual's impairment must be apparent and meet specified criteria. In addition, the individual must meet all other requirements for eligibility. These payments may be made for no more than 6 months. The presumptive payments will not be considered overpayments if SSA later finds that the individual is not blind or disabled.

**Property Essential for Self-Support (PESS).** The real and personal property used in a trade or business, non-business income-producing property and property used to produce goods or services essential to the individual's daily activities. PESS may be excluded from resources under certain conditions.

**Proration of Benefits.** The method of computing benefit amounts in months in which the individual reacquires eligibility after a month or more of ineligibility. In such months, an individual's SSI benefit will be paid according to the number of days in the month that he/she is eligible, beginning with the first day in the month on which all eligibility requirements are met. In order to determine the benefit payable in a prorated month SSA counts the number of days an individual is eligible in the month. The amount of the individual's regular monthly payment is multiplied by the number of days for which he/she is eligible for benefits. That figure is divided by the number of days in the month for which the benefit is being determined. The resulting amount is the amount due for the prorated month. After 1996, proration for months of initial eligibility was eliminated.

**Public Educational Institution.** An institution that is operated by or controlled by the Federal Government, a State, or a political subdivision of a State such as a city or county for the primary purpose of providing educational or vocational training.

**Public Emergency Shelter.** A shelter for individuals whose homelessness poses a threat to their life or health.

**Public Institution.** An institution that is operated by or controlled by the Federal Government, a State, or a political subdivision of a State such as a city or county.

**Publicly Operated Community Residence.** A facility that provides food and shelter and some other service such as social services, help with personal living activities, training in socialization and life skills, or occasional or incidental medical or remedial care. In order to be publicly operated it must be operated or controlled by the Federal Government, a State, or a political subdivision of a State such as a city or county.

**Qualified Alien.** An individual who is:

- Lawfully admitted for permanent residence under the Immigration and Nationality Act (INA);
- A refugee under section 207 of the INA;
- An asylee under section 208 of the INA;
- A person whose deportation is withheld under section 243(h) of the INA as in effect prior to April 1, 1997, or whose removal has been withheld under section 241(b)(3) of the INA;
- A parolee under section 212(d)(5) of the INA for at least one year;
- A person granted conditional entry under section 203(a)(7) of the INA as in effect prior to April 1, 1980;
- A Cuban or Haitian entrant as defined in section 501(e) of the Refugee Education Assistance Act of 1980; or
- A certain alien, or an alien parent of a child, or an alien child of a parent who has:
  - Been battered or subjected to extreme cruelty in the United States by a spouse, parent, or certain other family members the alien, parent and/or child lived with;
  - Been determined to need SSI because of this abuse; and
  - A determination from the INS for a certain change in status.

**Qualifying Quarter of Earnings.** Credit for a requisite amount of earnings assigned to a calendar quarter for the purpose of determining the SSI eligibility of a lawfully admitted permanent resident.

**Quarter of Coverage.** The crediting of coverage needed for insured status under the Social Security program. In 2000, a worker receives one quarter of coverage (up to four a year) for each \$780 of annual earnings reported from employment or self-employment. This dollar amount is subject to annual automatic increases in proportion to increases in average earnings.

**Recipient.** A person who has been awarded SSI payments based on an evaluation of his/her own countable income and resources, age, and disability status.

**Reconsideration.** The first step in the administrative review process if an individual is dissatisfied with SSA's initial determination.

**Redetermination.** A periodic review of eligibility for SSI recipients to assure that requirements for eligibility continue to be met and that payment levels are in the proper amount. Income, resources, living

arrangements and other factors are reviewed. The redetermination process does not review the determination of disability.

**Refugee.** A noncitizen outside of his/her country of nationality who is unable or unwilling to return to his/her country of nationality or to seek the protection of that country because of persecution (or a well-founded fear of persecution) based on the noncitizen's race, religion, nationality, membership in a particular social group or political opinion. Unlike asylees, refugees apply for and receive this status prior to entry into the United States.

**Relocation Assistance.** A type of assistance provided to persons displaced by projects that acquire real property. Examples of types of reimbursement, allowances, and help provided are:

- Moving expenses,
- Reimbursement for losses of tangible property,
- Displacement allowances,
- Amounts required to replace a dwelling which exceed the agency's acquisition cost for the prior dwelling,
- Rental expenses for displaced tenants,
- Amounts for down payments on replacement housing for tenants who decide to buy,
- Mortgage insurance through Federal programs with waiver of requirements that borrowers must usually meet, and
- Replacement housing.

**Representative Payee.** A person who receives SSI payments on behalf of an SSI recipient. SSA will pay benefits to a representative payee on behalf of an individual 18 years old or older when it appears that such method of payment will be in the interest of the individual. A representative payee will be appointed if the individual is legally incompetent or mentally or physically incapable of managing or directing the management of his/her benefits. Also, in general, if the individual is under the age of 18, a representative payee will be appointed.

**Resident of a Public Institution.** An individual who can receive substantially all of his/her food and shelter while living in a public institution is considered a resident of the public institution. Generally, an individual who is a resident of a public institution throughout a month is ineligible for SSI.

**Resident of the United States.** A person who has established an actual dwelling place within the geographical limits of the United States with the intent to continue to live in the United States. (See "United States.")

**Resource.** The cash or other liquid assets or any real or personal property of an individual (or his/her spouse, if any) that he/she could use or could convert to cash to be used for his/her support and maintenance.

**Retroactive Payments.** The SSI payments made in a month later than the month or months in which they were due. Also referred to as "past-due" benefits.

**Retrospective Monthly Accounting (RMA).** The calculation method used in the SSI program to determine an individual's eligibility for each month. RMA has two parts: an eligibility determination and a payment computation. If the individual is ineligible based on the current month's factors (including the current month's countable income), no payment is due and none is paid. If the individual is eligible based on the current month's factors, payment is computed. The benefit for a month is generally based on the countable

income from the second month before the current month. The basic formula is to subtract the countable income from 2 months previous from the current month's Federal benefit rate.

**Section 1619(a) Status.** The special SSI cash benefits provided to disabled individuals who lose eligibility for SSI benefits under the regular rules because they have earnings at the level that is ordinarily considered to represent substantial gainful activity.

**Section 1619(b) Status.** The special SSI recipient status for Medicaid purposes provided to working disabled or blind individuals when their earnings make them ineligible for regular or special cash payments.

**Sponsor.** An individual who has signed an affidavit of support for a noncitizen entering the country.

**State Supplementation.** The payments made by a State or one of its political subdivisions to aged, blind, or disabled individuals.

- *Administration*—The governmental unit responsible for administering State supplementary payments may be either a State or local agency or SSA. Under State administration, the State must absorb both program benefits and administrative costs. Under Federal administration, the State is responsible for the program benefits and, as of January 1, 2000, pays \$7.80 for each benefit paid for the administrative costs.
- *Mandatory Supplementation*—The supplementary payments that are made only to beneficiaries who were converted to the SSI program from former State assistance programs at the inception of the SSI program. Mandatory minimum State supplementary payments are required to maintain the December 1972 payment levels that these beneficiaries received under the former State assistance programs. States are required to provide the supplementation to maintain their Federal matching funds for Medicaid.
- *Optional Supplementation*—The payments made by States to help persons meet needs not fully covered by Federal SSI benefits. The State determines whether it will make a payment, to whom, and in what amount. These supplements, paid on a regular monthly basis, are intended to cover such items as food, shelter, clothing, utilities, and other daily necessities. Some States provide optional supplementary payments to all persons eligible for SSI benefits, while others may limit them to certain SSI recipients such as the blind or residents of domiciliary-care facilities, or they may extend payments to persons ineligible for SSI because of SSI income.

**Statutory Blindness.** See "Blind."

**Student Earned Income Exclusion (SEIE).** An earned income exclusion for an individual who is under age 22, regularly attending school and neither married nor the head of a household, with certain limitations established by regulations. Currently, up to \$400 earned income in a month, but no more than \$1,620 per year, may be excluded.

**Substantial Gainful Activity (SGA).** The level of work activity used to establish disability. A finding of disability requires that a person be unable to engage in SGA. Under current regulations, a person who is not statutorily blind and is earning more than \$700 a month (net of impairment-related work expenses) is ordinarily considered to be engaging in substantial gainful activity.

**Supplemental Security Record (SSR).** The computerized database maintained by SSA and containing identifying information, income, resources and other eligibility factors, for all SSI recipients. The SSR includes the history of SSI payments made to an individual.

**Suspension.** The nonpayment of benefits for a period of anywhere from 1 to 12 months for any of a number of reasons such as income or resources over allowable levels, absence from the United States, residence in a public institution, etc. Benefits can resume without reapplication, when all requirements for entitlement are again met. Suspense that lasts more than 12 months results in a termination of the SSI record. (Once a record is terminated, reapplication is necessary.)

**TANF.** See “Temporary Assistance for Needy Families (TANF).”

**Temporary Absence.** An individual’s physical move from his/her permanent place of residence that does not constitute a change in living arrangement. In general, a temporary absence is an absence from a permanent residence which is not intended to, and does not, exceed a full calendar month.

**Temporary Assistance for Needy Families (TANF).** The State grant program of assistance for needy families established by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193). TANF replaced the Aid to Families with Dependent Children program.

**Termination.** For an individual, cessation of benefits, which can occur for a number of reasons, including death, medical improvement, or a period of suspension lasting longer than 12 months.

**Terminations.** As used in section IV, the net reduction (after accounting for new entrants) in the number of SSI recipients in current-payment status during a period.

**Trusts.** A legal arrangement involving property and ownership interests. Generally, property held in a trust will be considered a resource for SSI purposes if the assets of the trust could be used for the benefit of the individual or spouse.

**Unearned Income.** The income that is not earned income. Unearned income may be in cash or in-kind. Some examples of unearned income are:

- Annuities, pensions, and other periodic payments;
- Retirement and disability benefits;
- Veterans’, workers’ and unemployment compensation;
- Alimony and support payments;
- Dividends, interest and certain royalties; and
- Rents.

**United States.** For purposes of the SSI program, the United States consists of the 50 States, District of Columbia and the Northern Mariana Islands.

**Vocational Rehabilitation (VR).** The services provided to blind or disabled individuals to help enable them to work. SSA makes provisions for blind or disabled recipients to be referred to a State VR agency, or to an alternate provider if the State agency does not accept the referral. SSA reimburses the VR agency for services provided in situations where the services result in the individual’s working at the substantial gainful activity level for a continuous period of 9 months, and in certain other limited situations.

**Windfall Offset.** A provision to prevent a person from receiving monthly SSI and OASDI benefits in excess of the total amount which would have been paid if the OASDI benefits had been paid when they were due rather than retroactively.

**Work Incentives.** Provisions in the SSI program that are intended to act as incentives for disabled or blind individuals to work. Examples of work incentives under the SSI program are:

- Earned income disregard,
- Impairment related work expenses,
- Blind work expenses,
- PASS, and
- Section 1619 benefits.